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LOCAL GOVERNMENT BY COMMISSION

With Special Reference to  
CLARENCE AND KINGBOROUGH MUNICIPALITIES

A Dissertation  
presented to The Faculty of Commerce  
in the University of Tasmania for the  
Diploma of Public Administration.

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# DECLARATION

I, Gregory Issell Stabb, hereby certify that this dissertation represents my original work and that it contains no material which has been published or otherwise used by me and that it contains no copy or paraphrase of material previously written by another person or authority except where due acknowledgment is made.

A handwritten signature in cursive script, appearing to read "G. I. Stabb", is written over a horizontal line.

(G. I. STABB)

#### ACKNOWLEDGMENTS

This dissertation has necessitated much personal effort. However, its presentation would not have been possible but for the wonderful co-operation and assistance received by the author from many people, too numerous to mention here. Without Professor W.A. Townsley's encouragement in the early days of the course the task may have proved too great. To Dr. S. V. Rao, M.A., M.P.A., the author extends his special thanks. Although a visitor to our shores and a stranger to our local systems of administration, he rendered much friendly and valuable guidance. The assistance and encouragement received from Mr. M. J. Jillett, until recently the Deputy Commissioner of Taxes and a Commissioner of the Clarence Municipality, is appreciated. A number of others who also gave of their time willingly in interviews with the author are also especially thanked. Amongst these are Mr. Charles Hand, C.B.E., Chairman of Clarence Commission; Brigadier E. M. Dollery, M.V.O., O.B.E., M.C., Chairman of Kingborough Commission; and Mr. J. R. P. Clark, Secretary for Local Government. Each of them spared no effort in providing valuable and reliable information for this paper. Finally, but most particularly, my sincere thanks are extended to my wife for her sympathetic encouragement during the course of my studies, culminating in the writing of this paper. The technical quality of this dissertation in its final form is due entirely to her intense interest and dedication to the typing of it.

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## CHAPTER I

### INTRODUCTION

Local government is the concern of every man, woman and child in the community, but unfortunately very few of us concern ourselves with local government. The indifference of the local ratepayers is shown by their lack of interest on polling day, but this of course is not unique to Tasmania. "Local government is democratic. The local councils are elected by the people. The people therefore have it in their hands to guard their own interests in the working of the local services."<sup>1</sup> Not many of us, however, take any interest until there is a sudden rise in our rates or until we have some complaint to make about the services not rendered by our particular council.

As this paper deals closely with the affairs of local municipalities, it is hoped that it will give an insight into the machinery of local government, particularly in relation to commissions. This is an image not seen by the layman who gleans most of his knowledge on these matters from the local press.

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<sup>1</sup>W. Eric Jackson, Local Government in England and Wales, London, Penguin Books, 1959.

The system of local government which exists in Tasmania, although not identical with that in the other Australian states, has considerable structural similarities. It is part of the system which the British race had for self-government, and is not unlike that which dates back to Anglo-Saxon times. "Over the years Britain became distrustful of local government by experts and preferred the system whereby practical men could reach their own decisions after getting advice from the experts."<sup>1</sup> Here, as in most countries, it is the people's desire "that local government should be autonomous and substantially independent of control by the central government."<sup>2</sup>

Tasmania is divided into a number of municipal districts which in most instances are administered by these "independent and autonomous" bodies known to us as councils.

The object of the following pages is to show how commissions are appointed and used to replace the normal processes of local government under certain circumstances. It will also be shown that the commission method of administering local affairs is resorted to more in Tasmania than in other states of the Commonwealth.

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<sup>1</sup>Keith Welsh "Municipal Councils are Essential Part of Democratic System", The Australian Municipal Journal (June 1963) p. 442. Extract of opening address by Sir Stanley Burbury, Chief Justice of Tasmania, at the Annual Conference of the Municipal Association of Tasmania, 1963.

<sup>2</sup>Ibid.

The elected council is in principle the main representative organ of any unit of local government. Other representative bodies, such as boards and trusts, have considerable authority and power, but it is primarily the council through which the public is represented in the affairs of local government. There is a tendency to develop councils or popular assemblies at the lowest level of governmental unit. This means that representation is achieved at the level closest to the people.

"The role of the council, as the representative body, is a complex one. It varies from country to country in line with the evolution and mechanics of the process of local government in each one."<sup>1</sup> It can be said that the degree to which a local unit has a representative government depends largely on two factors. The first is as to how far the membership of a council goes in representing and being answerable to the public. The second is as to how much power and authority such a council has to define the local policy objectives and to have these objectives implemented.<sup>2</sup>

Where a local council shows that it has abused such power or authority, or that it is either incompetent, because of its failure to administer and implement defined policies,

<sup>1</sup>Humes, Samuel. "The Council", The Structure of Local Government. The Hague, Martinus Nijhoff, 1961, pp. 72-75, 86-88.

<sup>2</sup>Ibid.

or because of division in its ranks, then the central government must act.

It is therefore the paramount aim of this dissertation to discuss the problems created by such a failure and the necessity to govern local affairs by some means other than the council elected by representative ratepayers. The fact that seven commissions have been appointed since 1934 to control local affairs in the State of Tasmania appears to indicate that there is a case to answer in deciding which is the best form of municipal government.

Scope.---For some years the author has taken an active interest in public affairs in the form of pre-schools, parents' and friends' associations, and progress associations. It is well known that, in these particular spheres, the influence of pressure groups and similar means of approach to local government authorities has considerable impact. Is local government by elected council therefore susceptible to demands by vested interests? Is it more open to abuse by councillors in a particular ward than an administration controlled by a commission which has been appointed by the central government? This opens up the field of discussion as to what is a more satisfactory form of local government to meet the requirements of the municipalities. This question was considered as one of the terms of reference for the Royal Commission on Local



Government in Tasmania in 1939. It was thought desirable, in order to discuss this problem in this paper, to review briefly the history of local government in Tasmania, and to look at the finding of the above commission in a critical way. This enabled a better perspective to be obtained and the stages in the evolution of this type of administration to be traced.

Chapter II gives a brief outline of the early settlement of Tasmania, and shows how the various aspects of local government were carried out by numerous boards and trusts until 1906. In this year a great step forward was taken by the passing of a local government act. This was to be the basis for future control of local government authorities up to the present day. It will be seen how this act provides for the situation where it becomes necessary to replace an elected council which fails in its purpose. This has occurred on several occasions in this state, and the enabling provisions have proved most useful and essential over the years.

In 1939 a Royal Commission was appointed to inquire into the various aspects of local government in Tasmania. Some of the recommendations made by the Royal Commission which are considered relevant to this paper are discussed briefly in Chapter II.

A further parliamentary inquiry into local government was held in 1961, and the findings of this select committee are

also considered in the same chapter.

As stated earlier, it appears that it has been necessary to replace elected councils with government appointed commissions more frequently in Tasmania than in most other Australian states. With this in mind some research was carried out by contacting the various state authorities. In some cases the information was easy to obtain and case histories were supplied; in others the author was referred to the local government acts concerned. In Chapter III the methods used to provide alternative administration where the elected council fails are discussed.

In Tasmania until recently provision existed under two acts whereby a council could be dismissed from office and replaced by a commission. This has recently been altered by the passing of the new Local Government Act, 1962 which alone provides for this to be done, whilst the Statutory Authorities' Act, 1962 makes a similar provision for all authorities other than local government ones.

In Chapter III a study is made of the circumstances which can arise to necessitate the appointment of a commission. As this has occurred twice in the past eight years in two large municipalities adjacent to Hobart, it made an interesting research study to inquire into causes and effects of instituting commissions in these two areas. This was particularly so

because these commissions are still the administering authorities, and it was possible to obtain the views of those ousted from control as well as those now in control. The municipalities referred to are Clarence and Kingborough and are discussed fully in Chapters IV and V respectively. In these two areas different sequences of events caused the instituting of commissions. After investigating the particular problems existing within these municipalities, it was possible to make a comparison of the circumstances necessitating the use of such drastic measures, and to see how each municipality appears to have progressed under able and expert administrators.

Propositions.—In the concluding chapter attention has been drawn to the fact that commissions, wherever appointed, have solved the problems which beset their predecessors. They appear to promote efficiency and harmony in the areas in which they operate, and facts have been obtained to support this. A comparison has also been made between local government by elected council and that by appointed commission. This enabled conclusions to be drawn between the advantages and/or disadvantages of both. The discussion then resolved itself around six general propositions, the problems of which were found to be inter-related. These propositions as set out hereunder are dealt with in Chapter VI.

- (1) That local government bodies such as councils consist

of democratically elected practical men who can be rejected at the end of their term if they are not liked or do not carry out the wishes of the ratepayers. This, then, poses the question as to whether commissions, as appointed by the central government, truly represent those who need representation. In other words, are commissions democratic?

- (2) That the appointees to a commission are, or should be, mainly experts in their particular spheres. They ought, therefore, to be more efficient than unpaid administrators who are interested only in their own wards and not the municipality as a whole.
- (3) That councils, as they exist at present, are too large. They are therefore too unwieldy in the best interests of efficiency, economy, and good administration. Commissions consisting of three appointees, on the other hand, are compact units and are more easily approachable.
- (4) That the present "Ward System" lends itself to abuse. Each Councillor is bound to give his efforts and time mainly in his own ward as it is to this area that he looks for re-election. It is only natural that he will want to see that as much

of the finance as possible is spent in his ward, without due regard to the necessities of the rest of the municipality. The commission of three should be far more impartial, and share out the finances available on the basis of 'where is the most urgency'.

- (5) That petty jealousy amongst councillors is not conducive to efficiency. Under a commission, where greater efficiency tends to build up public confidence, there should be more ability to borrow loan moneys for the extensions of water schemes, sewerage, roadworks, and other important works not financed by rates.
- (6) That, although there appears to be little to choose between the elected council and the appointed commission, it is necessary in the light of changing conditions to consider which is the better form of local administration. Would a combination of the two, with payment of councillors as a basis, provide a suitable compromise?

In dealing with this final proposition, it will be necessary to consider whether the commission form of administration is merely an extension, and therefore an intrusion, of the central government in the affairs of the ratepayers. It has been

said that "local government by council has come to be regarded as a brake against the exercising of too much power over local matters by the central government."<sup>1</sup>

Sources.---Preliminary inquiries into the availability of files, minutes, and other information concerning the Tasmanian scene, indicated that it would be possible to obtain enough facts to enable a discussion of each of the foregoing propositions. To do this the author conducted interviews with those involved in the creation of existing commissions in southern Tasmania, and those connected with events leading to the situation which brought them about. The Commissioners of both Clarence and Kingborough were most helpful in this regard and spared no effort in supplying information. Although interviews generally tend to reveal differences of opinion, it was necessary to treat each on its merits, make value judgments, and place the sequences of events in their proper perspective.

Much useful information on the local scene was also obtained by reference to the Secretary for Local Government in Tasmania, and to his various files. Realising that there had been seven local government commissions in Tasmania in recent years, the author decided to compare this incidence with that

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<sup>1</sup>Keith Welsh "Municipal Councils are Essential Part of Democratic System", The Australian Municipal Journal (June 1963) p. 442. Extract of opening address by Sir Stanley Burbury, Chief Justice of Tasmania, at the Annual Conference of the Municipal Association of Tasmania, 1963.

in the mainland states. To do this it was necessary to write to the various local government associations who, for the most part, were helpful in supplying information and references which could be followed up. It was necessary to analytically — examine the local government acts of each of the states to compare them with the Tasmanian one in regard to providing alternatives when an elected council fails. Other references were obtained from the Encyclopaedia Britannica Research Service, but unfortunately the subject under discussion was of too local a nature, and the information received from them could not be used effectively.

Considerable help was obtained from the Parliamentary Library, where papers and reports on the various local government inquiries were made available. This source of information proved invaluable for this type of research.

Several books were perused in preparation for this paper, and, although not specifically quoted, they proved most useful as background reading. These included works by W.A. Townsley<sup>1</sup> and J.H. Warren.<sup>2</sup>

Statistical information was also obtained from the Bureau

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<sup>1</sup>W.A. Townsley, The Struggle for Self-Government in Tasmania (Hobart: Government Printer, 1951).

<sup>2</sup>J.H. Warren, The English Local Government System. (London: Geo. Allen & Unwin, 1946).

of Census and Statistics in Hobart and Adelaide. Finally, a great deal of assistance was received from the Librarian and the News Editor of The Mercury newspaper, Hobart, by way of press cuttings and reports.

Limitations.---It is not the author's principal aim to make a survey of all the alternatives which might be used to improve or replace the elected council in local government administration. As the title of this paper suggests, only one alternative to the elected council form is fully discussed. However, there are several others worthy of consideration. For instance, the council-manager form is used extensively in the United States of America and Canada. This would be akin to the commission here as the commissioner appears to wield as much power as the manager. In both cases the municipality or district would be run on business-like lines. The limitations of space and time do not permit a lengthy discussion, however, and besides, it does not come within the scope of the title of this dissertation. Another method of administration mentioned in Chapter VI is that proposed in a recent press article by Professor P. Scott.<sup>1</sup> It is a breakdown of the English Local Government System and referred to by the writer as a "Two-tier system". It appears to be a worthwhile

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<sup>1</sup>The Mercury, Hobart, October 22, 1964, p. 4. Peter Scott, Professor of Geography, University of Tasmania, "Two-tier System of Local Government".



suggestion and deserves more than just the passing reference it is possible to give it here.

The conclusions reached in this paper are that there is something wrong with local government. In this state there have been a number of inquiries into its operation and still no advancement appears to have been made. In this we are not alone. Professor Scott writes:

All over the Western world the problem of adjusting a nineteenth century structure of local government to meet modern requirements is being energetically tackled.<sup>2</sup>

As aforesaid, space and time do not allow a lengthy discussion on these matters in this paper, but it is no doubt a subject in which some research needs to be made urgently.

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<sup>2</sup>Ibid.

## CHAPTER II

### THE DEVELOPMENT OF LOCAL GOVERNMENT

#### IN TASMANIA

The growth of local government in England and Australia is a record of the determination of the people to keep within their grasp those things which closely affect their daily lives and social relations. The capacity for self-government has made the British people successful in the development of new lands and countries. Of this Australia is an outstanding example. The Tasmanian system has been developed in line with this inherent desire to inculcate the democratic principles of self-government.

The First Fleet brought the new settlers to Australia in 1788 at a time when the French were active in the Pacific area. In order to prevent their intrusion, and to ensure the safety of the new Colony of New South Wales, the decision was taken to settle in Van Diemen's Land. The first settlement was at Risdon in 1803 and subsequently transferred to Hobart a year later. Soon afterwards a further settlement was made at George Town in Northern Tasmania. In the beginning the island was under military control as its main purpose was to serve as a

penal settlement. The control of the administration lay in the hands of military personnel who held all the main posts from Colonial Secretary to Chief Police Magistrate.

At first the island was divided into two counties, Buckinghamshire in the south and Cornwall in the north. They remained independent until 1812 when central authority was located in Hobart. In 1823 an act of Parliament (The Huskisson Act 4 Geo IV No. 96) created a supreme court and empowered the Crown to appoint a Legislative Council of not more than seven members. This was subsequently increased after Tasmania became an independent colony in 1825, and in the next twenty-five years big changes were to be seen. The creation of the House of Assembly by the Imperial Act 1855 (Vic. No. 17) placed the legislative power in their hands as well as in those of the Legislative Council. These two bodies were wholly elective.

Running parallel to the struggle for self-government was a strong demand for the cessation of transportation, and this was achieved in 1853. With this great event and the introduction of free settlers, the population of Tasmania became very cosmopolitan. The need for some form of central administration of local affairs was great, and it was into this environment that local government was born in this state. Originally all control was vested in the one authority whose responsibility it was to find employment for the convicts under its control.

This was an easy matter as it was also responsible for the building of roads, bridges, buildings, and other works of a local nature. As the source of labour began to dwindle, many of the activities of this central authority became superfluous.

The first move to delegate authority was in 1840 when the Roads Act (1840) was passed. This piece of legislation sought to place the responsibility for the maintenance of the Hobart to Launceston Main Road with the Director General of Roads. Commissioners were elected on the vote of owners of property with an annual value of at least £10. These Commissioners were empowered to maintain cross and by-roads by the levying of rates not exceeding 6d. in the pound on the annual value of the properties. In 1847 control of these roads was taken from the commissioners and the power was vested in the Court of Quarter Sessions. Although by Acts of Parliament, namely the Main Roads Act 1847, and Cross and By-Roads Act 1847, control was taken from these local commissioners, the Cross and By-Roads Act 1851 reversed this action and provided for the management of roads by local authorities. Under this latter legislation Road Districts were proclaimed by the Lieutenant-Governor. This was the first division of the colony into districts of various kinds for the purpose of local administration. The Report of the Royal Commission in 1939 states that "each district was controlled for a specific purpose by a

board. These districts were constituted: (a) Main Road, (b) Road, (c) Rabbit, (d) Fruit, (e) Public Recreation, (f) Health, (g) School, and (h) Works Districts. There were also rural municipalities, town boards, and the Cities of Hobart and Launceston, each with a separate governing body. In the year 1907 there were in existence 105 road trusts, 19 rural municipalities, 23 town boards and 2 city councils, a total of 149 local authorities."<sup>1</sup>

The report then goes on to name twenty-eight separate Acts under which local government has functioned, lists them chronologically, and then continues - "In 1906 the Local Government Act was introduced. This Act abolished all rural municipalities, town boards, main road districts, road districts, local health districts, fruit districts, rabbit districts, school districts, and public recreation ground districts. In their place were established municipalities which took over the administration of all local government functions previously administered by the numerous local bodies. There is no doubt that this was a great step forward."<sup>2</sup>

In 1907 the Commission set up by Section 10 of the Local Government Act recommended "that the State be divided into fifty

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<sup>1</sup>Tasmanian Parliament. Report of The Royal Commission into Local Government in Tasmania, 1939.

<sup>2</sup>Ibid.

municipalities. Since then three municipalities have disappeared: two by amalgamation with Hobart and one by amalgamation with Launceston, leaving forty-seven in existence today."<sup>3</sup>

The legislation passed in 1906 was the basis, without much amendment, for the administration of local authorities in Tasmania for over fifty years. In 1962 a new local government act was passed to supersede the old one, and although different in many respects it still has, for its foundation, many provisions of the original act.

The Royal Commission on Local Government in Tasmania.

Although there have been several inquiries into local government administration since the passing of the original act, perhaps the most important of these was the Royal Commission of 1939. One of the terms of reference for this inquiry was 'The Best Form of Municipal Government to meet the requirements of the State.'<sup>4</sup> In the course of the inquiry the merits or otherwise of government by commission were fully discussed. As this is in keeping with the title of this dissertation the author considers that it is essential to examine its report.

Over the years following the passing of the original act,

<sup>3</sup>Ibid.

<sup>4</sup>Ibid.

many difficulties have arisen in regard to various aspects of administration of local authorities. Suggestions have come from many sources for the improvement of local government in Tasmania. The Boundaries Commissioners appointed in 1906 did not appear to make a very determined effort in their subdivision of the State. Their report indicates that they were loth to make any alteration in the existing municipal districts unless a change was called for by the local authorities or landholders.<sup>1</sup> It would seem likely that the commissioners intended to keep the people in each settlement happy by forming them into separate wards.

The matter of finance in large municipalities with a small population has always been a source of worry. This very factor was one of the causes underlying the troubles in the Kingborough Municipality, as well as in Clarence, prior to the instituting of commissions in those districts. These matters will be dealt with later in this dissertation. The financial aspect has also been, on several occasions, the subject of comment by the Grants Commission. They had prior to 1940 mentioned it in their report. In the FIFTH REPORT (1938) the commission states

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<sup>1</sup>Tasmanian Parliament. The Boundaries Commission 1907 - Report No. 24. Report on the Division of Tasmania into Districts and the Sub-division of Districts into Wards under the Local Government Act (6 EDW. VII No. 31 of 1907).

that "a problem of a different character arises from the Tasmanian system of local government. Tasmania has an area of 10,000 square miles and in this area 49 municipalities and a number of Marine Boards function. The proportion of revenue eaten up in overheads must be excessive . . . Naturally these municipalities lean on the State Government for support in providing services which in other States are provided by municipalities at the expense of the property owner . . . A reorganisation of the Tasmanian local government system seems to us to be urgent."<sup>1</sup> The next year's report states that "Tasmania has taken steps to deal with two problems mentioned in our previous report, namely Transport and Local Government Finance. A new Transport Authority has been set up and a Royal Commissioner is inquiring into Local Government Affairs and Finance."<sup>2</sup>

It has been rather a difficult task to ascertain, from records available, the actual reasons leading up to the appointment of this Royal Commission. The Press reports of the day seem to indicate that there was general dissatisfaction with regard to municipal finances. This arose from the perpetual arguments amongst those advocating one form of rating or another. Various methods of valuation and assessment were in dispute.

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<sup>1</sup>Fifth Report of the Commonwealth Grants Commission 1938, p. 81.

<sup>2</sup>Sixth Report of the Commonwealth Grants Commission 1939, p. 83



At the time of the appointment of the Royal Commission there were in operation five commissions for administration of local affairs. These were apparently operating satisfactorily. There was a great amount of feeling amongst some people, particularly those writing to the press, that this should be the basis of future control of municipalities. There was much clamouring for the amalgamation of municipalities and just as loud a protest against it. It was in this atmosphere of unrest concerning local affairs that the State Government of the day appointed a Royal Commission to inquire into and report on certain vital matters in this field. The terms of reference were quite wide and covered most aspects of local government.

The Commissioners took evidence on all matters before them, and finally presented their Report to the Governor on August 14, 1939. This Report incorporated many recommendations for the improvement of local government. In due course the government of the day prepared draft legislation to cover many of the points raised. These were introduced into Parliament, but unfortunately difficulty was experienced with the Legislative Council and the implementation of many of the improvements sought was never agreed to. However, quite a number of the provisions were incorporated in the Local Government Act, 1940 and Local Government Act, 1953. More recently the Local Government Act of 1962 was passed which should further dispose

of a number of anomalies. It is not intended to deal closely in this paper with all the recommendations made by the Commission. Some of them, however, are particularly relevant to the subject. It is essential to look at them critically, and in retrospect, to see why it has been necessary to institute commissions in two of the larger municipalities adjoining Hobart since that date. This will be done in the chapter dealing with the appointment of commissions in Clarence and Kingborough.

The following is a summary of such of those recommendations of the Commissioners as are thought to be relevant to this paper, and gives the subsequent action taken by the State Government in implementing or discarding them.

#### Administration and Finance<sup>1</sup>

- (1) Budgeting to be compulsory.

This recommendation was given force by the Local Government Act, 1940 and the Local Government (Estimates) Regulation 1941.

- (2) Levying of rates before August 31 in each year.

This was brought into effect by the Local Government Act, 1940 and the Local Government Act, 1953.

- (3) Demanding of rates before September 30 each year.

The amendments to the Local Government Act, 1940 made provision for this to be done in future.

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<sup>1</sup>It should be noted that failure to adhere to some of these points brought financial disaster to Kingborough Municipality in 1959/60.

- (4) Stricter attention to collection of rates.

No legislative enactment was considered necessary.

It was presumed that publicity arising from the findings of the Royal Commission would cause individual councils to give this matter closer attention.

- (5) Monthly statements of accounts to be compulsory.

The Local Government (Estimates) Regulations 1941 provided for this to be done.

#### The Bases of Valuation and Assessment - Rating<sup>1</sup>

- (1) The establishment of a Valuation Department separate from the Taxation Department.

This was taken care of under the Land Valuation Act, 1950.

- (2) Complete revaluation of lands and properties in the state.

This was adopted under the Land Valuation Act, 1950.

- (3) Methods of rating on an annual, capital or unimproved value, or a combination of these to be optional.

The Local Government Act, 1940 provided for this.

- (4) The method of rating to be determined by ratepayers at a poll.

This was already in force as the provision had come

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<sup>1</sup>It should be noted that one of the reasons leading to the creation of a commission in Clarence was the proposed change of rating methods.

into effect as a Regulation under Section 133 of the Local Government Act, 1913.

### The Best Form of Local Government<sup>1</sup>

- (1) Elected councils to continue.

Parliament did not consider any amendment to the Local Government Act necessary.

- (2) System of government either by elected council or commission to be determined at a poll of ratepayers.

This was catered for in the early days of local government (Sec. 13 of the Local Government Act 1906) and by the addition of a subsequent amendment (Sec. No. 13 (ii)).

- (3) Any commission appointed to continue for at least three years.

This was adopted under the Local Government Act, 1940.

### The Number of Municipal Bodies.

- (1) The number of municipal bodies to be two cities, three urban municipalities and thirty-four municipalities.
- (2) The form of a council to consist of a warden and four councillors.

These recommendations were not adopted.

<sup>1</sup>The Commission's report on this matter will be dealt with fully in the concluding chapter of this paper.

### The Division of Municipalities into Wards.

- (1) Abolition of wards for all purposes.

No action was taken on this suggestion.

### The Best System of Voting at Municipal Elections.

- (1) Single voting at elections.

This recommendation was not adopted.

- (2) Uniformity of scale of plural voting throughout the state.

The Local Government Act, 1946 reduced the maximum number of votes allowed to any elector from six to four.

The four main recommendations of the Commissioners were:

- 1) that the number of municipalities be reduced,
- 2) that there be a reduction in the number of councillors for each municipality,
- 3) that the municipalities be grouped into eight road districts, and
- 4) that a Local Government Board be formed to regulate qualifications of municipal officers, adjust boundaries and review loan proposals of municipalities.

Very little effort was made by the government of the day to take subsequent action on these recommendations. Any changes made, as a result of the findings of the Royal Commission, were of little importance to the municipalities.

Admittedly the advent of World War II caused the setting aside of local government affairs to a large degree. However, there seems little excuse for so much time and money having been wasted on what could be considered an abortive attempt to improve local government administration in this state. It is still having its repercussions today, as will be seen later in this paper.

Local Government Inquiry, 1961.--On November 16, 1960 a Select Committee of the House of Assembly was appointed, and subsequently reappointed on June 21, 1961, to inquire into and report upon local government under the terms of reference referred to it. These included briefly:

- (1) The desirability of amalgamation of certain municipalities.
- (2) The basis for financial assistance to municipalities from the State Government.
- (3) The desirability of appointing a panel of consulting engineers to assist councils generally.
- (4) An investigation of the purchase of suitable machinery for use by councils.
- (5) Whether the State Government should set up purchasing office to assist councils to obtain correct plant and equipment.
- (6) Whether machinery and plant pools should be set up

from which councils could hire such equipment.

- (7) Whether the present method of council clerk control in conjunction with Heads of Departments creates efficiency, and whether managers should be appointed in large municipalities.
- (8) The means whereby ratepayers can be encouraged to offer their services in local government affairs and overcome general apathy.
- (9) The question of giving greater power to the Audit Department in the matter of advising on efficiency.

This committee met on thirty-three separate occasions from November 22, 1960 to August 1, 1961, and heard evidence from all Tasmanian municipalities. Although they presented a very comprehensive report to Parliament, it remains for posterity to decide whether all the expense was worth while.<sup>1</sup> The report states in paragraph 4:

As the Committee met council after council, the problems of local government began to become clearly defined. At the outset, the Committee wishes to state that it has nothing but admiration for the manner in which honorary services are given to local government in this state by the many hundreds of councillors and aldermen, and in its investigation and final recommendations has kept to the forefront the view that nothing should be done to discourage the manner in which this outstanding honorary service is given.

<sup>1</sup>Tasmanian Parliament. Local Government Inquiry - Report No. 22 1961 - Report of Select Committee of House of Assembly appointed on the 16th day of November 1961.

It seems apparent that this Government Inquiry considered that the council set-up was satisfactory in regard to size.

This is in direct contrast to the 1939 Royal Commission's report which stated:

Under the present constitution of the councils, some five hundred men have to be found to perform the duties of councillors and we consider that this number is too great. Smaller councils would tend to waste less time at meetings and possibly work with more efficiency. Evidence from Council Clerks on this question was largely in favour of a smaller number of councillors.<sup>1</sup>

We seem to have had inquiry after inquiry into local government in Tasmania. At the moment the newly set-up Municipal Commission is taking evidence, going over the same ground, and perhaps will come up with the same answers. If the answers are different, will the State Government act on its recommendations? They have been loth to do so in the past, and so it will be of interest to see whether they will risk any action which might upset the feeling of the electors in any way. We must face realities. What is the matter with local government? Why are there so many inquiries without more action being taken on the findings? Is there some better method of administering municipalities than by elected councils? These questions are difficult to answer, especially the last one.

In Tasmania, since 1934, it has been found necessary, for

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<sup>1</sup> Tasmanian Parliament. Report of the Royal Commission into Local Government in Tasmania, 1939.



various reasons, to appoint seven commissions to replace elected councils and perform the functions of local government.<sup>2</sup> The commissions referred to are:

Zeehan Municipal Commission appointed	1934
George Town " " "	1936
Glenorchy " " "	1936
Scottsdale " " "	1938
Tasman " " "	1938
Clarence " " "	1957
Kingborough " " "	1960

Those in Zeehan, Clarence and Kingborough are still operating at this date. It will be seen in later chapters how they appear to have brought harmony, stability, and greater efficiency in the areas in which they operate.

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<sup>2</sup>Ibid.

## CHAPTER III

### THE ALTERNATIVES TO ELECTED MUNICIPAL COUNCILS IN THE AUSTRALIAN STATES

Legislation to effect the change.--In the chapters which follow, the reasons for, and the events leading up to, the instituting of Commissions in Clarence and Kingborough Municipalities will be fully considered. It therefore seems opportune at this stage to study the statutes used in Tasmania to implement these changes from elected council and draw comparisons between them. It is also interesting to compare, from a survey conducted by the author, the provisions of the local government acts in other Australian states in this regard. It is intended to briefly review the procedure adopted therein when an elected local council abuses the power and authority vested in it, or fails in its administration.

Tasmania.--Since the passing of the Local Government Act of 1906, seven local councils have been replaced by commissions for varying reasons.<sup>3</sup> Almost all have been appointed under the provisions of Section 13 of the above act. At least one, however, has been constituted by invoking the Statutory Authorities<sup>4</sup>.

<sup>3</sup>Ibid.

Administration Act, 1937. The Minister for Lands and Works (Mr. Cashion M.H.A.) has said that this procedure for appointing a commission in Tasmania is most unusual. The provisions of this act were used only when the finances of a municipality deteriorated to such an extent that the Auditor-General had to take steps to restore financial order. Mr. Cashion is of the opinion that, prior to the Kingborough Commission's appointment, it had never occurred previously in the history of local government in Tasmania.<sup>1</sup>

It is interesting from a research point of view to note that the Clarence Commission was appointed under the provisions of the Local Government Act, 1906, whilst Kingborough Commission came into being under the Statutory Authorities' Administration Act, 1937. These two large municipalities with mixtures of rural and urban wards are conjoined with Hobart. In both, some discussion has taken place as to whether the urban areas should be included in a Greater Hobart scheme. Both have suffered the pains of rapid growth, and there was constant bickering and argument amongst councillors just prior to commissions taking over.

In the chapter on Clarence it will be seen that jealousy existed amongst ratepayers; extremist views of pressure groups were forced on sections of the community; and, finally, there

<sup>1</sup>"The Mercury", Hobart, January 8, 1960.

was an endeavour to impose a new form of rating on the residents. All these things led to disharmony, and council meetings became a battleground with a clash of personalities. The culminating events which forced the council out of office happened over a relatively short period of time.

In Kingborough, on the other hand, the situation deteriorated gradually over a number of years. The trouble there at first was purely financial. The inability of the staff to budget correctly, and the use of unorthodox methods of financing capital works, led to the breakdown of council administration. These works were being carried out before loan monies were available or allocated to them. This inefficiency led to financial chaos. It was at this stage that the council realised it was in an inextricable and hopeless position. With inefficiency reigning, disharmony existed amongst the councillors and staff. The Auditor-General then took the only course left open to him and applied the provisions of an Act of Parliament to restore stable government. In Tasmania the Local Government Act of 1906 gave the Governor wide powers to oust the council from office. He could appoint "some person as a commissioner to take charge of such municipality and to exercise the power and functions of the council thereof".<sup>1</sup> This act has since been

<sup>1</sup>Local Government Act, 1906. Division IV (Sec. 13 - Subsection 1-9).

repealed and replaced by the Local Government Act, 1962. This new act gives the same powers under section 39 thereof, but further widens the scope covered by the 1906 act. However, this latter act has been referred to in this paper as it was used as the authority for replacing the elected council in Clarence in 1957. It is proposed now to look at those provisions in retrospect.

Section 13 covered, generally, all situations which might arise in a municipality to create a crisis. It also provided for the case where insufficient councillors were offering for election. Where, in the opinion of the Governor, this lack of quorum would be detrimental to the interests of the municipality, he could appoint some person to take charge of such municipality as Commissioner. Upon this happening, a further provision stipulated that the remaining councillors would go out of office. The commission or commissioner could exercise all powers and functions of the replaced council. However, the most important provisions, and those under which Clarence Commission was constituted, are subsections 5 to 9 of Section 13. If the state of affairs in a municipality is such that there is apparent inefficiency, disharmony, or gross incompetence by the elected council, the ratepayers may take action to replace the council. They can prepare a petition and have such petition signed by not less than one-third of the electors in the municipality. They can

present it to the local authority, who must then take a poll of ratepayers to determine by what means the municipality will be governed. Such voting under this section shall be compulsory. In the case of Clarence there was a far greater number for the appointment of a commission than there was against it. The act provides that the majority decision shall be given effect to. Where such a poll requests a change in the method of government, no further poll shall be taken for at least three years from the date of the previous one. In the event of a commission being appointed under this section, it shall consist of three members, and shall have a guaranteed life of three years. This provision is rather restrictive as it is necessary for another poll to be taken before a change can be made back to elected council. Such a poll must be requested by a further petition signed by one-third of the electors. In Clarence the present commission has been in control for almost eight years, and its end is not yet in sight. So successful has been its reign in office, in promoting growth and stability in the municipality, that the majority of ratepayers are loth to see a change. This has been evidenced by the apparent failure of a body who call themselves the Clarence Council Restoration League to obtain sufficient signatures to such a petition. The first reports of their activities were published over twelve months ago and still no petition has been presented.<sup>1</sup>

<sup>1</sup>The Saturday Evening Mercury, Hobart, May 30, 1964,

The position in Kingborough is somewhat different. - Its commission was appointed by the Governor under the provisions of the Statutory Authorities' Administration Act, 1937. As will be seen in the chapter on this municipality, the Auditor-General was not satisfied with the financial management therein. Under these circumstances he must give such local authority notice in writing setting out his allegations, which will be the subject of his report to the Governor. The council concerned is requested to furnish to him within one month its reply thereto. The Auditor-General then informs the Governor, who may appoint a committee-of-review if he considers the authority's reply unsatisfactory. This special committee is to consist of three members with the Solicitor-General as chairman. After receiving a report from him, based on evidence taken at an open inquiry, the Governor may if he thinks fit appoint a commission of three members to take over the conduct of the municipality. This is what happened in Kingborough, and a commission was appointed for a period of twelve months.<sup>1</sup> As both Houses of Parliament have agreed, in line with the provision enabling them to extend the period from time to time, the Kingborough Commission has authority to continue at least until January 1967.<sup>2</sup>

<sup>1</sup> Refer to Statutory Authorities' Administration Act, 1937 Sec. 9 - now replaced by Statutory Authorities' Act, 1962 Sec. 6 (2).

<sup>2</sup> The new Local Government Act, 1962 Sec. 40 provides for terms of two years in future.

Both the new Local Government Act, 1962 and the Statutory Authorities' Act, 1962 provide for the ousting of a local authority if the Auditor-General is dissatisfied with its finances. This is an interesting feature, but is explained by the fact that the old Statutory Authorities' Administration Act, 1937 was repealed. It was desired that all matters pertaining to local government be contained in one act. Therefore the provision whereby the Auditor-General could take action was included in the new Local Government Act, 1962 as applied to municipalities. It also appears in the new Statutory Authorities' Act, 1962 to cover all authorities other than elected councils.

The title of this dissertation may lead one to think that it was proposed to deal with Local Government Commissions in Tasmania specifically. However, the author has been in contact with local authorities in other Australian states. Some information has been received which should prove useful from the comparison angle. It was found that most states have provisions for appointing an Administrator or Commissioner to replace elected councils where necessary. It is proposed to review the situation in each state independently.

New South Wales. The information as quoted in this section was supplied by the Secretary of the Local Government Association



of New South Wales.<sup>1</sup> In that state the form for local government is the elected council. The Local Government Act, however, under two sections, provides for such an elected council to be replaced. These two sections are:

(1) Section 86 which reads:

The Governor may, if in his opinion circumstances have arisen rendering it advisable so to do, by proclamation remove all the members of a council from office, appoint an administrator as for a defaulting area, order the compilation of fresh lists and rolls of ratepayers, and the holding of a fresh election of a council, and make such further orders as in the circumstances he may deem necessary.<sup>2</sup>

(2) Section 219 of the Act which provides:

That a municipality or shire may by proclamation be declared a defaulting area if

1. there are not sufficient members of the council to form a quorum; or
2. if the rate has not been levied; or
3. if the Council has ceased for six months to exercise its functions.<sup>3</sup>

Neither the Local Government Association nor those in authority in New South Wales regard the appointment of an Administrator, under any circumstances, as an alternative method of administration. It is considered to be no more than a temporary expedient to overcome a particular difficulty. It would seem

<sup>1</sup>Letter from Mr. A. Mainerd, Secretary, Local Government Association of New South Wales, Sydney, November 12, 1964 (Ref: No. 2/1023).

<sup>2</sup>N.S.W. Local Government Act, 1919.

<sup>3</sup>Ibid.

that this is where the main difference lies as between Tasmania and New South Wales. Here, as in the case of Clarence, an alternative method of local government can last for a number of years. In New South Wales the changeover to Administrator is done only in extreme circumstances, and for as short a period as possible. The State Department of Local Government in New South Wales states that:

The provisions of Section 86 of the Local Government Act, 1919, under which the members of the Bankstown Municipal Council were removed from office recently, represent a necessary and justifiable reserve power which has been intentionally granted by Parliament. It has always been exercised with proper care and discretion, and only in exceptional circumstances, such as when there has been evidence of malpractice, or the Council is incompetent to discharge its responsibilities, or where it has been apparent that, in the interests of ratepayers, the removal of the Council is imperative. Since 1919 the section 86 has been exercised only on 14 occasions of which 9 were concerned with general maladministration of councils rather than default of particular members of councils.<sup>1</sup>

These figures show Tasmania in a rather bad light, as here, in a state many times smaller, seven commissions to control the affairs of local government have been appointed since 1934. It has been found in New South Wales that, in areas where the elected council has been replaced by an Administrator, public reaction has been mixed. If the history of the replaced council

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<sup>1</sup> Photostat copy of letter from the Under Secretary, Department of Local Government, Sydney to the Secretary, Local Government Association of New South Wales, Clarence Street, Sydney (G.64/915 of December 23, 1963). Kindly loaned to the author by the latter Association.

has been unfortunate, a feeling of stability must arise when the administrator takes over. However, on a number of occasions a reaction has taken place, in the course of time, against the existence of any official with complete control but with no responsibility to the people. This, of course, can and does occur in Tasmania where in most cases three commissioners are appointed. As mentioned previously, the Clarence Council Restoration League, by meetings and press reports, has endeavoured to build up public hostility against the Clarence Commission for this very reason. In this case, though, they have apparently failed to get support either because the public's memory is not as short as is usually the case in civic affairs, or because the public is satisfied with the Commission's efficiency.

It is interesting, after perusing the letters mentioned previously, to note that in New South Wales a council can be removed from office by virtue of a member or members being charged with corrupt practices. Recently the Local Government Association of that state made representations to the Minister for Local Government there. It sought an amendment of the Act to enable any member or members of a council, if they are the subject of legal proceedings, to be suspended pending determination of the proceedings and, if exonerated to automatically resume membership of the council. Also, that the council may meanwhile continue in office where the number remaining is not such

as to detrimentally affect the administration. These representations were made following a case where five members of Bankstown Council, in the Sydney metropolitan area, were charged with corrupt practices.

The Minister advised the Local Government Association that he was not prepared to recommend the amendments. In his reply to them he said:

The suggestion that individual members of councils should be suspended or dismissed from civic office in appropriate cases instead of removing the council seems to misinterpret the intention of the Legislature in framing Section 86. Such action would, in effect, publicly prejudice the outcome of criminal proceedings such as have been instituted by the Attorney-General in respect of former members of the Bankstown Municipal Council. The decision on such proceedings is properly the function of the courts. Any such prejudgment could well change considerably the reputation of a person in the public mind despite his ability subsequently to clear himself in court.<sup>2</sup>

No prejudgment of individual members of the council was thereby at issue, and this the Minister made abundantly clear to the public when he removed the whole Bankstown Municipal Council from office. This is, of course, the main principle of British justice, which decrees that a man is not guilty until proved so. It seems rather harsh on the other members of the council, however. Yet we will see in the following chapters that, where some members of the council are indulging in malpractices, it is destroying the harmony and thereby the efficiency of the body as a whole. Their removal in toto seems to be the answer.

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<sup>2</sup>Ibid.

Victoria. -- "This state appears to be traditionally independent in the matter of local government. Once a Local Authority is constituted by the Governor-in-Council, it is given a legal charter, within which it is entitled to operate."<sup>1</sup> The fact that Victorian municipal authorities arrange their own meetings, prepare works programmes and estimates of cost, and levy and collect their own rates is not, of course, unique. However, amongst all the other Australian states they stand alone in regard to legislation for replacing elected councils. There is no provision in the Victorian Local Government Act giving "power to the Minister or Governor-in-Council to appoint a commissioner to take over the task of governing, if the elected council appears to be making a bad fist of it."<sup>2</sup> The only occasion on which a commissioner could be appointed is in a municipality where there is no council, or if insufficient councillors are elected to constitute a quorum, or if the council in office refuses to act. This throws the burden on to the ratepayers. If they elect a council which fails to measure up to normal standards, then they have no redress. The opportunity to make a change will be available at the next ballot.

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<sup>1</sup> Mithen P.P. Secretary, Department of Local Government, Victoria "The Relationship between State and Local Government in Victoria" Public Administration XXIII, No. 2, page 159 (June 1964).

<sup>2</sup> Ibid.

South Australia.---There is provision for replacement of an elected council here in the event of maladministration. The strange thing, however, is that the only breakdown that has occurred in local government in South Australia was in Adelaide itself. The Highways and Local Government Department give the following information:

In 1840 the first attempt at local government in South Australia (and in fact in Australia) was the passing of an act which created the Municipal Corporation of the City of Adelaide. This was probably more an attempt by the Governor of the day to give the colonists experience in local government to prepare them for an elected Parliament rather than any real desire for local government on the part of the people. This first attempt was unsuccessful, and the council ceased to function in 1843. This Act was repealed in 1846 and civic affairs were managed by the Government until 1849. This continued till 1852 when the City Council was reconstituted and has operated ever since.<sup>1</sup>

At present two commissions are administering the functions of local government in this state. They are the City of Whyalla and the Colonel Light Gardens Commissions. They have been established for special purposes and not as a result of a breakdown in elected council.

The Whyalla Commission was established in 1945 under the provisions of the Whyalla Town Commission Act 1944. Prior to this date there was no local government authority in the area. This town (now a city with a population of over 14000) is in

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<sup>1</sup>Letter from Mr. K. Hockridge, Local Government Clerk, Highways and Local Government Department, Adelaide, November 30, 1964 to the author.

existence principally because of the activities of Broken Hill Proprietary Limited. This great company assisted in the establishment of the local governing body to promote the development of the town. It was willing to pay, as rates, the sum of £30,000 during the first five years of existence of the local governing body. Additional sums were contributed towards the improvement and completion of roads in the area. Whyalla was divided into three wards, one commissioner being elected from each by the ratepayers whilst the company appointed three others. The Governor appoints the Chairman, making seven commissioners in all. A move is at present afoot to create a fourth ward, thus giving the ratepayers four elected representatives. If it comes about, the balance of power will swing to the ratepayers. The Chairman's casting vote to decide issues will probably be obviated. This commission has the powers of any other council under the South Australian Local Government Act. It apparently works quite efficiently and harmoniously.

The other commission in South Australia is the Garden Suburb Commission at Colonel Light Gardens (an Adelaide suburb). It was established in 1920 under the Garden Suburb Act, 1919. With an area of 368 acres it was part of the then District Council of Mitcham. It was severed from Mitcham to become a special housing settlement for returned servicemen from World War I. The government of the day appointed a commission to

administer the local government affairs in the district. Then, as now, the one commissioner is responsible to the Minister of Local Government and has the power of a municipality under the Local Government Act.

Apparently the Government of South Australia is extremely loth to interfere with the activities of councils. "Any failure or maladministration on the part of a council would have to be particularly glaring to warrant dissolution."<sup>2</sup>

Queensland.---The only information to hand from this state is that contained in the Queensland Local Government Act of 1936, Part II Section 4 (9) and (9a) - Dissolution of councils. Subsection 9 empowers the Governor-in-Council, in his absolute discretion, to dissolve any local council under certain circumstances. He must receive a petition signed by at least one-fifth of the electors setting out their complaints before he can act on the matter. If, in his opinion, the Governor considers the complaints warranted he has the power to dissolve the council. He has the authority then to appoint some person to carry on the normal functions of the council for such a period as he specifies. This person is referred to as the Local Authority. He will remain in control pending the preparation of fresh voters' rolls and the holding of an election. It will be noted that there is no necessity in Queensland, as in Tasmania, for the holding of a poll to determine the method of governing

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<sup>2</sup>Ibid.



after the petition is presented. Subsection (9a) empowers the Governor to appoint a person as the Local Authority in the case where there are insufficient councillors to constitute a quorum.

Western Australia.---No case history is available from this state either, but provisions of the Local Government Act, No. 84 of 1960, empower the Governor to dismiss a council.<sup>1</sup> He may appoint a commissioner where, in his opinion, a council is not carrying out the duties and powers conferred upon it by an act. By an order dismissing the council on an appointed date, he shall also name a day for holding an election to restore a council to the municipality. He is "to ensure that the election is held as soon after the dismissal of the council as is reasonably practicable."<sup>2</sup> The commissioner is to hold office until a council is elected and holds its first properly constituted meeting.

It is interesting to note from the foregoing that each state except Victoria makes provision for replacing an elected council under extreme circumstances. However, it appears that except in Tasmania the appointment of some person or persons to conduct the affairs of local government where the elected council is dismissed is to be regarded only as a temporary measure.

<sup>1</sup>Local Government Act of Western Australia, No. 84 of 1960 - Part V Section 156.---Governor may dismiss a council.

<sup>2</sup>Ibid.

Here in this state provision is made for prolonged replacement.  
This will be evident from the following chapters on Clarence  
and Kingborough Commissions.

## CHAPTER IV

### CLARENCE MUNICIPAL AFFAIRS

The Early Days of the Municipality.---As mentioned earlier in this paper, Tasmania, which had been a convict settlement, was first divided into Police Districts. The administration of these districts was in the hands of magistrates. They controlled the disciplinary functions, whilst the supervision and building of roads and works was handled by Road Boards.

Clarence was one of the Police Districts proclaimed in 1827. It derived its name from one of the vessels of the expedition of Lieutenant John Hayes, who explored the River Derwent in 1793. This vessel was the "Duke of Clarence".<sup>1</sup> Under the provisions of the Rural Municipalities Act, 1858, all police districts were given the right to form themselves into municipalities. It was thus that Clarence Municipality, one of the oldest in Tasmania, came into being in 1860. The first Warden was The Honourable Edward Abbott, who served in both the House of Assembly and the Legislative Council.

The first main towns to spring up in the new municipality

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<sup>1</sup>Basil W. Rait, The Story of Clarence, a booklet prepared in commemoration of the Centenary of the municipality, October 1960.

were Bellerive, originally called Kangaroo Point, and Lindisfarne, at that time called Beltana. Bellerive was proclaimed a town in 1866 and Lindisfarne in 1894.<sup>1</sup> These are still the principal centres of population in this eastern shore suburban area, although in recent years much development has taken place in the new centres of <sup>L12</sup>Howrah, Warrane, and Risdon Vale. The latter two are both fine Housing Department settlements, which have many amenities and services, such as sewerage, concrete paths and nature strips, not yet fully provided in the older towns.

Clarence Municipality as at present constituted began in 1908, following the passing of the Local Government Act, 1906. The four original wards of Bellerive, Lindisfarne, Cambridge, and Sandford, still exist. The latter two are large rural areas, whilst Bellerive and Lindisfarne Wards have developed into urban areas. Originally all were rural districts, as can be seen from the following extract from the Boundary Commission's Report in 1907:

"Clarence Municipality - An area of Agricultural districts with an annual value of £16,080, which was subdivided into four wards. It has extensive boundaries on the sea."<sup>2</sup>

<sup>1</sup>Tasmania. Walch's Tasmanian Almanac, 1963, p.379

<sup>2</sup>Tasmanian Parliament. Boundaries Commission Report to Parliament, 1907. Report No. 24 of the division of Tasmania into districts and the subdivision of districts into wards under the Local Government Act 6 Edw. VII No. 31 of 1907).

The division of a municipality into wards does not have the same importance whilst it is administered by a Commission. Under the Ward System, the ratepayers elect representatives from each ward to look after their interests at the council table. The Clarence Municipality is at present controlled by three commissioners, Messrs. C.H. Hand, R. Mainwaring, and G. Inglis, who, as an independent body appointed by the Central Government, administer the municipality as a whole.

From the time of the passing of the Local Government Act, 1906 until the mid 1930's, very little development took place in Clarence. Up to this time the townships of Bellerive and Lindisfarne were nothing more than isolated country hamlets separated by a poorly constructed road. The headquarters of municipal government, as has always been the case, was at Bellerive, and it was felt by the Lindisfarne residents that more than a fair share of money was being spent on services and amenities for the former. There was always an element of rivalry between these two towns, and this exists to the present day.

The only means of travel from Hobart to the Eastern Shore was by steamer, and this could be a long and hazardous trip, particularly in winter. The district lacked any major industries, farming being the principal means of support. In 1892 a railway line was opened and a service ran from Bellerive to

Sorell, a rich agricultural centre, but this service was withdrawn in 1926.<sup>1</sup> The depression of the early 1930's was a further crippling blow to the progress of the municipality as most of its finance in those days came from rates levied on rural properties. The rate of population increase over the years had been slow and was another reason for lack of progress. However, events which were to change the whole aspect in this lovely area were soon to happen.

The Bridge over the River Derwent.---For years the desirability of establishing a short road link between Hobart and its eastern suburbs had been the subject of much discussion and debate. The first serious effort was made when, by the passing of the Hobart Bridge Act, 1936, the construction of a bridge over the Derwent was to become a reality. Under this act the Governor was empowered to "grant a Franchise in respect thereof, subject to certain conditions and for the regulation of transport across the said River". Under the act Herbert Stanley Barnett, subject to certain conditions set out therein, was authorised "to form a company to be registered in this State for the purpose of constructing a bridge across the River Derwent".<sup>2</sup>

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<sup>1</sup>Tasmania. Walch's Tasmanian Almanac, 1963. p. 434. ✓

<sup>2</sup>Tasmanian Parliament. The Hobart Bridge Act, 1936.

Subsequently the Hobart Bridge Company was formed, designs were submitted and that of Mr. Allan Knight, at the time a brilliant young engineer in the Public Works Department, was accepted. His design provided for construction of a floating arch bridge in concrete. This was unique amongst the bridges of the world as related to the spanning of open tidal waters. The building of the bridge was commenced in April 1938. The bulk of the work was done in war time, and parliament was forced to declare the building of it as a protected industry. Shortages of labour and material hindered progress, and the project was not completed until 1943.

Prior to and during the building operations the Hobart Bridge Company, through its subsidiary company, Derwent Investments Proprietary Limited, purchased large areas of land in Clarence municipality. These purchases are said to have been in the vicinity of 700 acres.<sup>1</sup> This land was bought at extremely low prices. A new road system was constructed from Hobart to Lindisfarne and Bellerive, enabling the provision of regular bus services which were extended from time to time. Although the private company had been granted a franchise of up to twenty years, it became necessary only one year after the opening of the Bridge for the Government to take it over. ✓

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<sup>1</sup>Figures as supplied to the author by the said Herbert Stanley Barnett, mentioned in the Hobart Bridge Act, 1936.

Eventually an act cited as The Hobart Bridge (Acquisition and Administration) Act 1944 (8 & 9 Geo VI No.-20) was passed by parliament. It provided:

For the Acquisition by the State, of the undertaking of the Hobart Bridge Company Limited; to make provision for the vesting in the Transport Commission of the administration, control and management of the Hobart Bridge and the transport services in connection therewith; to authorise the acquisition of certain land in the eastern suburbs of Hobart and for matters incidental thereto. 11 December 1944.<sup>1</sup>

Shortly after the bridge passed into state control, several events had an important effect on the growth of the Clarence municipality. The bridge itself, under Section 23 of the above act, became a public highway, and subsequently the toll charge imposed by the company was removed. This, combined with the great desire of newly discharged ex-servicemen to purchase land and build homes, created the demand for new subdivisions. The wide open spaces of the Clarence municipality were the logical choice for large scale settlement on the eastern shore. The State Government set up a Housing Department which needed new estates for its planned projects. At first this department bought up large tracts of building land. As time went on they acquired, in accordance with the provisions of the Lands Resumption Act, 1910, many more lots in Clarence municipality. In addition, the act enabling the acquisition of the bridge also provided, under Section 30 that:

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<sup>1</sup>Tasmanian Parliament: The Hobart Bridge (Acquisition and Administration) Act 1944.



All land situated in the Town of Lindisfarne and Parish of Clarence owned by Derwent Investments Proprietary Limited . . . shall be acquired by the Governor as and from the date of acquisition for the purposes set out in Section thirty-two.<sup>2</sup>

The section 32 determines that the land shall be used for the purposes of the Homes Act, 1935.

To give an idea of the sudden rise of values in property, and of the progress which the spanning of the River Derwent brought about, the following example is quoted.<sup>3</sup> The 700 acres purchased by the Hobart Bridge Company through its subsidiary company for a mere pittance was acquired by the Government at approximately £100 per acre. Subsequently the government decided to dispose of its Rosny Point holdings for private home buildings, and the price obtained at a subsequent auction was equivalent to £6000 per acre. Another indication of the almost mushroom-like growth of the municipality can be obtained from the following population figures.

<u>Year</u>	<u>Population</u>	<u>Year</u>	<u>Population</u>
1911	2482	1954	12605
1921	3355	1958	18559
1933	4204	1961	23140
1947	4268	1964	28100
1950	8348		4.

<sup>2</sup>Ibid.

<sup>3</sup>As supplied to the author by the said H.S. Barnett mentioned in the Hobart Bridge Act, 1936.

<sup>4</sup>Supplied by the Bureau of Census & Statistics, Hobart, May, 1965. All figures except 1964 were actual census figures.

It took thirty-six years from 1911 for the population of the municipality to double itself. In the subsequent three years it doubled again, and in the next fourteen years it more than tripled itself from the 1950 figure. This sudden increase in population in a previously semi-developed area threw a severe strain on the financial resources of the municipality. It was possibly one of the main causes in the breakdown of local government administration in Clarence. Still another important step forward in the cause of progress was taken by the council of the day when they provided a water supply to residents. At first this was of a temporary nature by means of a pipe line across the bridge, but it was eventually replaced by supplies from the Southern Regional Scheme. This has proved of great benefit, and has brought in its wake improved hygiene for the district with the installing of sewerage and septic tanks in the area.

It will be seen from the population statistics given previously that all these improvements caused a sudden surge of people into a previously undeveloped area. The municipality is by no means a compact one. It spreads along the shores of the Derwent from South Arm and Opossum Bay in the south to Risdon Cove in the north, and from Bellerive to Cambridge and Pittwater in the east. The development of new urban areas from the old rural ones was a transition which caused many financial headaches for those administering local government affairs in this area.

### A New Era in Development - Rapid Growth and Its Problems

Until after the war very little interest had been taken in council elections, both on the part of candidates offering themselves and on the part of the electors who showed general apathy in voting at elections. Clarence up till this time had been ostensibly a rural municipality. However, many of the new dwellers in the district were ex-servicemen who were seeking "the new way of life" promised as their reward for service to their country. They were not prepared to take things lightly, and it was apparent that the new residents were showing a greater interest in the administering of their municipality. Unprecedented activity in the formation of progress and parents' and friends' associations was most evident. About 1954 friction began to develop at the council table. Some members thought that the rural wards were being favoured as against the town wards. The older members of the council took umbrage at this attitude and felt that they were being pressurised by the new members. This resulted in the creation of rival factions. This unhappy state of affairs had had its beginnings several years previously, however.

The provisions of a water supply had not been without problems for the council. As mentioned earlier, a temporary pipe line had been installed across the Hobart bridge. A trunk main had been laid along the main road from Lindisfarne

to Bellerive in anticipation of the arrival of water from the Southern Regional Scheme. The pipe line across the bridge was fed into this main, giving those people in its vicinity a permanent water supply. The reticulation of the district was done in sections working outward from a central hub. This led to a lot of dissatisfaction. People on the outer rims of the wheel became impatient, especially as during this period and for years previously they had been paying water rates in anticipation, as it were, of the fait accompli. From interviews conducted by the author, it appears that this was the first contributory factor to a decline in the harmony existing in the municipality.<sup>1</sup> There was also trouble because some councillors were making irresponsible and doubtful statements at meetings. At one stage, an ex-warden asserts, it was found necessary to request a councillor "to make his statements under cover of an affidavit".<sup>2</sup> This state of affairs was not conducive to the efficient conduct of business. About this time the council

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<sup>1</sup>The author conducted several interviews with people interested in local government affairs at this time and the opinions expressed by them have been assessed and formulated into a diary of events which brought about the downfall of the Council in 1957. The following prominent members of Clarence Municipality were interviewed in this regard:- Mr. Newton Lee, for many years a councillor and Warden; Mr. Neil Swan (President of Geilston Bay Progress Association for 5 years); Mr. D.G. Dudgeon (Council Clerk); Mr. R.B. Chen LLB, Warden 1954; Mr. Geoff Jennings (Assistant Council Clerk).

<sup>2</sup>Ibid.

was endeavouring, in a period where property was being bought up rapidly, to preserve some land for future reserves. They found that a Mr. Scott, now deceased, was literally squatting on an area of land in the Geilston Bay district. Both the council and he were trying to get title to it. At the next council election Scott made a supreme effort to get elected in order to prevent the acquiring of the land. He opposed the popular warden, Mr. Lee, in Lindisfarne Ward. By means of an extensive canvass, large scale promises, and a general apathetic approach to council voting by ratepayers, Scott was elected by the narrowest margin, possibly less than a dozen votes. To quote Mr. Lee: "After my defeat many ratepayers came to me to convey their regrets, and from their remarks I realised that I could have won by a large majority if they had bothered to go to the polling booth. The excuses they gave were varied. Some had forgotten to vote; others were too busy; whilst to others sporting activities were more important."<sup>3</sup> This is of course a weakness in the plural, non-compulsory voting system at municipal elections. Its implications will be dealt with later in this paper.

With support given to Scott from councillors in another ward, many fiery debates took place. Some of the newly elected councillors attempted to introduce matters with a political

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<sup>3</sup>Ibid.

flavour into the proceedings. Thus the harmony of the council became more disturbed than ever, and so began a struggle for power which was to totally disrupt the business capacity of the elected council. There was marked antipathy between the conservative and radical elements amongst the councillors. They appeared to lose all sense of reason in the matter of fair apportionment of finance for their various wards.

The mushroom growth of Warrane, the new Housing Department settlement, with its sealed roads, concrete kerbs and gutters, nature strips, and sewerage, seemed to herald a general awakening in other parts of the municipality. The ratepayers from other centres jealously regarded the new suburb and looked for greater improvements in their own. An extract from a typical letter written to The Editor of "The Mercury" about this time by Mr. R. B. Chen LLB.<sup>1</sup> will illustrate the point.

However, the issue at stake is not the question of a rating system but the manner in which the affairs of the municipality are being conducted. By shouting the loudest, the body of councillors which favours the Warrane area has managed to obtain more than a fair share of revenue and loan money for projects which will further progress in that area. This year's excessive sanitary charge can be laid at the door of Warrane councillors who levied a low charge in 1956-7 in anticipation that Warrane would be connected to the sewerage treatment works last year and would no longer be using the sanitary services. While the Council has

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<sup>1</sup>Mr. R.B. Chen LLB. was interviewed by the author. Mr. Chen was elected to the Clarence Municipal Council in 1953 and subsequently became Warden. He resigned from the Council prior to the writing of the above letter.

been pre-occupied with the sewerage scheme, which could monopolise every pound the Council might borrow for the next 20 years, necessary construction work in much older parts of the municipality is being neglected. The Council has not laid a square yard of bitumen since the sewerage works were commenced.<sup>1</sup>

Then began a period where some councillors individually endeavoured to get done those things which, for want of harmony at the council table, were left undone. They began to interfere in the duties of the administrative staff. It was the old story of passing on the blame. There seems to have been an abortive attempt to discredit the Council Clerk amongst the ratepayers by undermining him with the staff. Approaches and requests through incorrect channels of communication were made by councillors to have work done in their own wards. This was apparent in the engineering branch, particularly in the roads section. It appears that the final blow to the elected council was struck when it became thoroughly divided over Site Value Rating. The method of raising revenue by means of rates to defray the cost of local government is of paramount importance. In Australia two systems of rating are in operation. They are Annual Rental Value Rating and Rating on Unimproved Land (Site) Value. The former method is the only one in use in Tasmania today, but an attempt was being made to introduce the latter into Clarence at the time under review. The South Australian

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<sup>1</sup>Chen, R.B., LLB. Letter to The Editor, The Mercury (Hobart) April 10, 1957

State Land Tax Act gives the following definitions.

Annual Rental Value Rating - The annual rental value of rateable property is determined by the estimated gross annual rental at which such property would be let for from year to year.

Rating on Unimproved Land (Site) Values - Unimproved value of any land means the capital amount for which the fee simple of such land might be expected to sell for if free from encumbrances, assuming the actual improvements (if any) thereon had not been made. Provided that in this definition the term 'improvements' means houses, and buildings, fixtures or other building improvements of any kind whatsoever, fences, bridges, roads, tanks, wells, dams, trees, bushes, shrubs, or other plants, draining of the land, clearing from timber or scrub, and any other visible improvements, the benefit of which is unexhausted at the time of the valuation.<sup>1</sup>

Without going into a lengthy discussion on the merits and demerits of this form of raising local government revenue, it is worthy of note that over three-fifths of the local bodies throughout the Commonwealth raise their rate revenue from land values. In New Zealand more than two-thirds of the rate revenue is raised on the same basis. The principle has worked successfully for more than sixty years in Australia.<sup>2</sup>

From the foregoing it can be seen that this was not something new which a majority of the council was endeavouring to impose on the ratepayers of Clarence. Pressure groups in the

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<sup>1</sup>E.J. Craigie, ex M.P., Hon. Sec. Land Values Rating Central Committee, Adelaide, S.A. - Municipal Justice, The Case for Land (Site) Value Rating.

<sup>2</sup>Ibid.



form of progress associations also took sides with the warring factions.

Geilston Bay and Warrane Progress Associations, whose districts had everything to gain by the newly proposed method of rating, were very strongly in favour. In fact the Geilston Bay people worked solidly and almost fanatically to get their own representatives on the council at the elections being held around that time. This they achieved, and not only did they have a vital vote on this matter, but the local progress association had a say in other important matters affecting this area. The ex-President of the association, Mr. N. Swan,<sup>1</sup> stated that the councillors, who had been elected through their efforts, attended all committee and other meetings of the Geilston Bay Progress Association. Thus both the association and the said councillors were advised how to vote on crucial matters. On the other hand, the rural wards were working just as actively to prevent the instituting of Site Value Rating. It was felt that the owners of large properties, both in the urban and rural areas, would have to bear an unfair burden and pay more than their just proportion to rate revenue irrespective as to whether the land was improved or held idle and vacant.

Finally, on November 8, 1956 the council passed a special

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<sup>1</sup>Mr. N. Swan was one of those interviewed, in relation to this paper, by the author.

resolution which would enable them to levy rates based on Unimproved Land (Site) Values. This ushered in a period of almost civil war in the council itself. - Even under capable chairmanship the meetings were rowdy and mostly out of control. Many ratepayers wrote to the press. On reading the letters one gathers the impression that most considered Site Value Rating would not work in such a mixed municipality. Others felt that it would work perfectly in built-up areas of the district. Others suggested a combination of the two forms of rating in the municipality. One impression which the author gained very forcibly was that in times of upheaval, and even in a crisis, ratepayers in the municipality become conservative rather than radical.

Eventually the Farmers' Federation, representing the farmers of the district, took legal action to restrain the council from proceeding under their resolution. The council, on obtaining legal advice, found that this special resolution was invalid, and was unable to act on it. Ratepayers requested a referendum on the matter of rating, but this was refused. They formed energetic committees in the various sections of the municipality in a concrete effort to see that the administration of the municipality was again put on a firm basis. ✓ They worked hard for the restitution of sane and efficient means of administration in the Clarence Municipality. Acting under the

powers granted by the provisions of the Local Government Act, 1906 (Section 13), a petition was circulated to ratepayers.<sup>1</sup> This called upon the Clarence Council to hold a poll to decide whether the council should be replaced by a commission appointed by the Governor-in-Council.

It appears from the records of the Committee that, when approached, at least ninety percent of the electors immediately signed the petition. Surprising, too, was the fact that the Warrane area, which of all districts gained most benefit from the elected council, was solidly behind the demand for a commission.

The committee had no difficulty whatsoever in obtaining the required number of signatures, and the petition was in due course presented to the council. They had no option but to hold a poll of ratepayers at which the voting was compulsory. An overwhelming majority on polling day, June 1, 1957 showed their disapproval of the council's actions and inefficiency. The Governor-in-Council subsequently appointed a commission of three under the chairmanship of Mr. Charles Hand, a retired politician who had proved his ability in administration as a Minister of the Crown. This commission, although some of its personnel have changed, is still in control of the municipality, eight

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<sup>1</sup>This Act has now been superseded by the Local Government Act, 1962.

years later. Its task has been a colossal one and fraught with many difficulties in such a rapidly expanding municipality. At the moment the four original wards still exist, but the district has developed into a predominantly urban area. There have been moves to have portion of it transferred to Greater Hobart, but it would seem that its future lies in the hands of the Municipal Commission appointed under the new Local Government Act of 1962.

This latter commission is at present investigating, and is soon to report on, changes in boundaries, a reduction in the number of municipalities, and many other matters of importance in municipal affairs. After so many abortive inquiries into local government in Tasmania since the turn of the century, one cannot help but be apprehensive as to the Government's attitude on these matters. It will be interesting to see, in the months that follow, whether the findings of this committee will be shelved as most of the others have been.

Whatever the future holds, it cannot be denied that in the past eight years Clarence has made rapid strides. The population at the time of the change to commission was 17,788 persons and had progressively increased to 27,000 at June 30, 1964. The number of tenements has increased by approximately 2,900 in the same period. Probably the best way to appreciate the development of the municipality as a whole is by the increase of

assessed annual values. This showed an increase of £532,428 over the period from July 1, 1957 to June 30, 1964, which represents a natural increase, without revaluation, of some seventy-five percent. The municipality was revalued as at July 1, 1964, and the new figure is £2,089,641, representing a total increase in values of almost £1,380,000 over seven years.

These figures indicate the problems which faced the commission in a rapidly growing urban area. Construction work on roads, sewerage, and water have had to be undertaken to keep up with the demand. The raising of funds for these capital works has been the prime responsibility of the commission, which has always been successful in securing the total amount allocated by the Loan Council. Admittedly rates have risen, but there has been little complaint when the residents realised how efficiently this commission has tackled its tasks.

When the commission took office on July 1, 1957, the municipality had an overall deficit in its accounts amounting to £22,000. This balance had been converted to an overall credit of £43,000 at June 30, 1964.<sup>1</sup> At the time the Commission took over in Clarence it was considered that it would be a colossal task to get the financial affairs of the municipality in

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<sup>1</sup>The details quoted in the foregoing paragraphs were supplied in an interview with Mr. Charles Hand, C.B.E., Chairman of the Clarence Commission, in May, 1965.

order. The expert and efficient way it was done is now past history.

In the chapter which follows it will be seen that another municipality to the south of Hobart was gradually, and at this very time, getting into a worse financial tangle. Finally in 1960 Kingborough Municipality exceeded its overdraft limit by an amount more than twice that of Clarence at the time of that council's downfall. This was the reason why the Auditor-General forced the Kingborough Council out of office. It will be seen in the following pages how an expert and efficient commission there has fought back and is gradually restoring confidence and financial stability in this district.

## CHAPTER V

### KINGBOROUGH MUNICIPAL AFFAIRS

The Early History of the Municipality.---Kingborough was originally part of the Huon Police District, which, from 1838, was under the control of the Police Magistrate stationed at Southport. In June 1850 the residence of the Police Magistrate was removed from Southport at his own request. He then took up residence at Snug, in the present Kingborough Municipality.<sup>1</sup> At this time the Huon Police District extended from Port Davey to Brown's River.<sup>2</sup> Eventually the Kingborough district was detached from Huon and came under the Hobart Police Magistrate.

Following the passing of the Local Government Act, 1906 the district became a municipality. The first meeting of the Kingborough Municipal Council was held at Kingston on January 6, 1908 under the first Warden, Mr. Harry J. Rule.<sup>3</sup>

Originally the municipality was divided into three wards; Kingston, Longley, and Margate, with three councillors for each.

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<sup>1</sup>C.S.O. 24/79/2506.

<sup>2</sup>Map attached to file in Blue Book for 1852

<sup>3</sup>Walch's Tasmanian Almanac, 1963, p.405.

Later, a meeting between Kingborough and Port Cygnet councillors resulted in the detachment of the Gordon and part of the Welsh Ward from the latter municipality. This new district, which was known as Channel Ward, was gazetted in 1911. Subsequently a further ward was added to the former four, making a total of five wards whose administration was in the hands of fifteen councillors.

Prior to the establishment of the council there were two Road Boards, one for the Kingston area and one for the Channel area. It must be realised that at this time there was very little settlement between Kingston itself and Hobart Town; the population of the district was then only in the vicinity of 1000 persons. The Boundaries Commission of 1907, which was set up following the passing of the first Local Government Act, 1906, designated the Kingborough Municipality as "a district embracing some good agricultural and orchard land and including the town of Kingston which was a favourite seaside spot much frequented by city people and tourists".<sup>1</sup> The total annual value of the municipality at that time was £8371, and at the time of the 1911 census the population had grown to 1877. The main development in the district prior to the Second World

<sup>1</sup>Tasmanian Parliament. The Boundaries Commission Report to Parliament 1907. Report No. 24 of the division of Tasmania into districts and the subdivision of districts into wards under the Local Government Act (6 Edw VII No. 31 of 1907).



War was in the fruit growing areas of the Channel Ward. The advances made in refrigeration and shipping techniques after the 1914-18 war led to Australia becoming one of the major exporting countries for apples and pears to Britain and Europe. Tasmania was well to the fore in this industry and, together with the Huon Valley, the Channel area of Kingborough supplied the large bulk of the exported fruit. Even so, the municipality was mainly a rural one right up to the mid 1940's. It was never a rich district, and, due to the distances involved between communal centres and townships, the roads were usually in a poor state of repair. Most of the building development which took place was ribbon-like, as the townships were along the shores of the D'Entrecasteaux Channel. Ferry services of a weekly nature were the most expedient form of transport for both people and goods. The growth of the urban population in the area was only gradual. Originally the road from Hobart Town to Kingston passed through the valleys behind Sandy Bay by way of Proctors Road. As time went on the Lower Sandy Bay area was developed. The road was extended southwards, and a new link was eventually established through Taroona and the Bonnet Hill past the old Shot Tower down to Kingston. It will be seen from the foregoing that there was no spectacular development in this municipality as in Clarence, where a clear line of demarcation can be drawn, and where the stages of development

can be referred as as pre-bridge or post-bridge eras.

The Growth of the Urban Areas in the Post-War Period. To the south of Sandy Bay and along the shores of the Derwent were large areas of land suitable for subdivision. When the post-war building boom of the mid 1940's gathered momentum, with the return of ex-servicemen, these lots were quickly sold. There was a gradual but steady growth in population in this municipality. The following table of figures will show just how steady this pattern of growth has been.

<u>Year</u>	<u>Population</u>	<u>Year</u>	<u>Population</u>
1911	1877	1954	8335
1921	3944	1958	9556
1933	4261	1961	10025
1947	5864	1964	10520
1950	6871		

Many people who had regarded Kingston as a holiday resort took up residence there after the 1939-45 war on a permanent basis as accommodation problems in the city became acute. There was also a large increase in home building in the Tarooma area. This meant that the new Tarooma Ward, as well as Kingston Ward, was developing into an urban area. This development created an imbalance in a municipality which had originally been an entirely rural one. As these wards developed it was found that the districts of Tarooma, Kingston, and Blackman's Bay, were

<sup>1</sup>As supplied by the Bureau of Census and Statistics, Hobart, in May, 1965. All figures except 1964 were actual census figures.

raising over two-thirds of the finance of the municipality from their rates. Thus the three rural wards of Margate, Longley, and Channel were providing a minor portion of the finance, but, with three councillors each, they were able to outvote the urban wards by nine votes to six. This created many tense situations at the council table, and there was much jealousy amongst the councillors of the two types of wards. By tracing through the Auditor-General's reports over a number of years, it can be seen that there was also a gradual decline in the financial position of Kingborough. It was this breakdown in the financial affairs of the municipality which finally brought about the downfall of the elected council. In both Clarence and Kingborough there had been petty wrangling at council meetings. This led to inefficiency in managing the affairs of these municipalities, but the reasons were different. However, no matter what the reason, if harmony does not exist amongst the elected councillors the municipality as a whole must suffer. This will be most apparent in the next section of this paper, which deals with the breakdown in Kingborough.

The Appointment of a Commission.—The affairs of the municipality began to draw unfavourable comment from the Auditor-General in the early 1950's. As previously mentioned, the bulk of the finances for works programmes was being drawn from two main wards, whilst the majority of the councillors were from the

sparsely populated rural wards. Another factor, which became apparent from interviews conducted by the author, was that some of the councillors felt that capital works should be financed from rates alone. As well as being a strain on ratepayers, this is contrary to the principles of local governmental financing. Loan money should be used for these projects, repayment for which should be on a long term basis as those who will use the amenities in the future should also pay therefor.

It appears that a number of the various accounts used by the council were overdrawn. For instance, at June 30, 1954 the total of debit balances was £21,278. The position at the end of the financial year ending June 30, 1955 was even worse, and at June 30, 1956 the overdrawn accounts totalled £29,543. On October 31, 1956 no less than thirty-one accounts out of a total of seventy-eight were still overdrawn to the extent of £26,675. The Auditor-General drew attention to the fact that on October 6, 1954 the overdraft on the Municipal Account had risen to a peak of £17,633 which he compared with the present position.<sup>1</sup> The unsatisfactory state of the municipality's finances was again brought to the council's attention by letter dated October 31, 1956. In this, councillors were requested to consider the position, and instructed to devise a plan whereby

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<sup>1</sup> Figures taken from The Reports of the Auditor-General on The Statement of Public Accounts for the years ended 30th June, 1954, 1955, 1956, and 1957.

the debit balances could be wiped out. Some idea of the apathy existing amongst the councillors can be gained from the fact that a reply was not furnished to the Auditor-General until April 16, 1957, almost six months later. The Warden in his reply painted a sad picture of lack of loan funds, rising costs, and wages, but drew attention to the fact that the "general financial position is better at this date than it has been for many years."<sup>1</sup>

This answer was not particularly pleasing to the Auditor-General, who pointed out to the council that its reply did not give a very clear picture of its true financial position. He considered that the council had merely looked at the overall position, and thereby had only taken a superficial look at its adverse finances. From the Auditor-General's subsequent remarks he apparently felt that the council was only "robbing Peter to pay Paul"; in other words it was financing overdrawn accounts from those with credit balances. He advised the councillors that the financial position remained unsatisfactory, and strongly advised them to immediately consider and adopt a plan of action to restore financial order in the accounts. The councillors waited until July 18, 1957 when they wrote what

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<sup>1</sup>Tasmanian Parliament. Report of the Auditor-General for the financial year ended 30th June, 1957. "Kingborough Municipality. Overdrawn Accounts". Published extract from letter sent by the Council to the Auditor-General. p. 280.

must be considered an unsatisfactory letter as it contained no answer to the Auditor-General's submissions.

Information as to the present number of overdrawn accounts and amount of same will be available next month when the statement for 1957 has been prepared. At present we are in the closing off stages of the year's work and some adjustments have to be taken into account. When the next rates are struck it appears inevitable that some must be increased. In the past the council has been loth to increase rates.<sup>3</sup>

From an inspection of the 1956 statement it appeared that the position had further deteriorated. As at June 30, 1956 overdrawn accounts had increased to a total of £29,543.

The Auditor-General's report for the financial year ended June 30, 1960 indicated that the municipality was in a state of upheaval. In the report he referred to his previous "reports to the Parliament as to the adverse financial position of this municipality". He wrote:

This state of affairs was not arrested, and eventually a deputation from the council waited on me on the 17th November, 1959, and arising from information furnished a special investigation was forthwith initiated.<sup>4</sup>

A thorough Audit investigation was conducted by officers of the State Audit Department. This disclosed an "unsatisfactory and unsafe condition"<sup>5</sup> in the council's financial affairs.

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<sup>3</sup>Ibid.

<sup>4</sup>Tasmanian Parliament. Report of the Auditor-General for the Financial Year ended 30th June, 1960. Kingborough Municipality. "Change from elected Council to a Commission.

<sup>5</sup>Ibid.

This was brought about particularly because of the undue delay in issuing the rate demands for 1959-60, the non-collection of arrears of rates and charges, and also changes and depletion in staff with consequential deterioration in council administration. On November 25, 1959 the Auditor-General wrote to the Warden of the Kingborough Municipality (file No. 9/3279) advising him of the findings of the Audit Branch investigators. He advised the Council that the position in regard to the bank overdraft was particularly unsound. The Statutory limit for the year 1959/60 had been determined as £43,697, and on November 17, 1959 the bank certified that the Municipality Fund Overdraft had reached £33,750. At that time the immediate and current commitments amount to £11,000. In the absence of any appreciable immediate revenue the "general financial position of the municipality must therefore be a matter of serious concern".<sup>6</sup> The overdraft position was certainly a precarious one, and indications were that it would exceed the statutory limit at the end of the current month. Actually, on December 31, 1959 the overdraft reached the figure of £44,261, which was £564 below the permissible limit.

The collections of outstanding rates and sundry charges were also a matter for serious comment by the Auditor-General. On June 30, 1959 these stood at £8,136, comprising rates £6875.

<sup>6</sup>Ibid.

and Sundry Charges £1261, but at the date of the investigation only £1198 had been collected on account of rates. At the same date the Council had not even proceeded with the issue of the Rate Demands for the current financial year 1959/60. It must be realised that this was late November and yet the rate would have been struck in August, almost three months earlier.

This was also in contravention of the Local Government Act which, after the Royal Commission 1939, was amended to provide that rate demands must be sent out by September 30 in each year. It is hard to imagine how such unbusiness-like and inefficient methods were allowed to creep in when the need for some early revenue from rates was essential in a period of financial crisis. In the aforementioned letter to the Warden, the Auditor-General referred to this delay as one of the prime factors contributing to the crisis. He concluded his letter of November 25, 1959:

The contributing factors to the present critical financial position would therefore appear to be as follows:-

- i. The delay in the issuing of rate demands for the current financial year.
- ii. The non-collection of arrears of rates and other charges.
- iii. The changes and depletion in staff personnel with the inevitable deterioration in council administration.

The unsatisfactory staff position in past months has undoubtedly affected the efficiency of the council's administration and the prompt collection of its revenues. In view of the serious financial position as disclosed by this investigation, I hereby require the Council, under the provisions of the Statutory Authorities Administration Act,



Section 3, to furnish me with its observations hereon.<sup>1</sup>

The letter from the Auditor-General having been received, the Council met the same day. By a motion which was carried unanimously the council suspended standing orders and departed from the agenda to enable the Report to be dealt with immediately. According to the Council Minutes, the following motion was carried by a majority of nine to three at a meeting of the council on November 25, 1959.

That this council finds itself unable to question any of the material in the Auditor-General's letter, and feels that the appointment of a commission is, in the circumstances in which the council finds itself, in the best interests of the municipality.<sup>2</sup>

In a letter dated November 26, 1959, the Council Clerk conveyed this resolution to the Auditor-General. Some of the councillors apparently had second thoughts on the matter, and at a subsequent meeting on November 30, 1959 a motion was carried to the effect that:-

The resolution passed on the 25th November, 1959 was out of order by virtue of the fact that it was not ordinary business of the Council, and that no notice of motion had been given of a special meeting, setting down the business to be discussed and circulated to Councillors."<sup>3</sup>

<sup>1</sup>Letter of W.O. Jennings, Auditor-General, to the Warden, Kingborough Municipality, dated November 25, 1959. An extract from pages 1 and 2.

<sup>2</sup>Letter of M.G. Doyle, Council Clerk, Kingborough Municipality, to the Auditor-General, dated November 26, 1959. Extract of last paragraph.

<sup>3</sup>Extract from the Minutes of a Council Meeting held on November 30, 1959.

The position from here on became confused as on December 10, 1959 a resolution was moved, seconded, and carried, to the effect "that the motion passed by the earlier meeting of the Council, dated the 25th November 1959, and the motion of Councillor Ashton relevant to the Auditor-General's report is approved."<sup>1</sup> This was again the subject of a letter to the Auditor-General from the Council Clerk, dated December 11, 1959. In it the previous motion was reiterated. The motion had stated that the Auditor-General's findings were not questioned, and the appointment of a commission to replace the council was recommended. Then on December 14, 1959, a further resolution was moved, seconded, and carried to the effect:

That the Auditor-General be informed of a notice of motion to rescind the resolution sent to the Auditor-General in the Council Clerk's letter of 11th December last, and that Council seeks an extension of one month to allow that motion to be properly dealt with.<sup>2</sup>

From this confusion arose two factions, one apparently taking sides with the Warden and the other with the Deputy Warden. Eventually a further special meeting of the council was held on December 21, 1959. By this time a majority of the councillors appeared to regret their hasty decision reached earlier and already communicated to the Auditor-General. It was resolved by

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<sup>1</sup>Extract from the Minutes of a Council Meeting held on November 30, 1959.

<sup>2</sup>Extract from the Minutes of a Council Meeting held on December 14, 1959.

a majority decision that letters be sent to the Minister for Local Government and to the Auditor-General. The letter to the Minister dated December 21, 1959 and signed by the Deputy Warden sets out a number of points which the Council requested the Minister to consider. Inter alia it was stated that:

2. It was not, then or at any time, either the will or intention of the Council to seek any steps which would result in a Commission.
5. In his letter of the 25th November, to the Auditor-General, the Council Clerk had failed to state, also, that at the same meeting a notice of motion to rescind the motion had been handed to the Warden; the letter carried the clear implication that the resolution had been confirmed, and that finality had been reached, and that a firm decision had been made to seek a Commission.  
This action by the Council Clerk had caused considerable misunderstanding and dissatisfaction. Council feels the letter to the Auditor-General, as composed by the Council Clerk, expresses the wish of the Council Clerk, not the will of the council.
6. Council considers that by failing to call meetings of Council and its committees . . . the Warden had contributed largely to the present crisis.
9. . . . The Warden admitted that he had been unable to give the position of Warden the time necessary for the satisfactory fulfilment of the accepted functions of Warden.
14. Having regard also to the Council's clear understanding and acceptance of its financial difficulties and its stated and defined proposals for dealing with these, Council respectfully requests that you find Council is capable and authorised to deal with its financial and domestic affairs as a matter of right, that no Commission be appointed, and that Council be allowed to continue to function as a Council.  
Council asks the Minister to accept that this request is not a request of expediency, but is formal expression of the genuine will of a working majority of Council.

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<sup>1</sup>Letter of The Deputy Warden, Kingborough Municipality, to The Minister for Local Government, December 21, 1959.

The letter of the same date addressed to the Auditor-General makes very interesting reading, but is too lengthy to be presented in this paper. It appears that the split proper had now become a fait accompli. In paragraph two it states that "this document has been drawn up without benefit of the Council Clerk, or any document other than your letter to the Council, helped only by the collective knowledge and memory of the members".<sup>1</sup>

The letter sets out what the council believes were the main contributory causes of the financial crisis. They admit that as far back as 1952 and continuing over the years they had contravened the Local Government Act by continuing with urgent loan works without first having in sight or in hand the necessary loan moneys. This was done by "juggling of accounts".<sup>2</sup> Rapid development of part of the municipality with attendant increase in revenue from £41000 to £87000 over a five year period created a false sense of security amongst councillors. The need for money was accentuated because loan works were being financed from revenue. For this reason council staff was kept to a minimum as a means of saving salaries. This, of course, caused much dissatisfaction, and finally resulted in the closing

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<sup>1</sup>Letter signed by ten Councillors of Kingborough Municipality to the Auditor-General, dated December 21, 1959. Extract from page 1.

<sup>2</sup>Ibid.

hours of the Council's existence, in a mass resignation by the staff.

There had been a failure to use comparative figures when estimating, and thus there was no check on expenditure. The council admitted that they failed to seek information from the Council Clerk and Assistant Council Clerk concerning arrears of rates, and were unaware that more than £6000 was unpaid from the previous year. They blamed the Warden, Treasurer and Council Clerk for the fact that they were not informed that the statutory overdraft limit had been exceeded. They were unaware that:

The Assistant Council Clerk lacked the technical knowledge to produce for council accurate figures on any accounts, and that it was for this reason no figures had been placed before the council this year. The clerk was unable to deal with the books of council, that analysis and allocations could not be done, and that he had not the knowledge of how to close the books at the end of the year, that he was certainly unable to balance the books produce an annual statement or prepare estimates . . . This must have been the prime factor in producing this immediate financial crisis.<sup>3</sup>

Four cases are quoted where council officers failed to claim reimbursements, grants and subsidies for the year ended 1958/59. In amelioration the council sets out three points. Firstly, that:

The immediate crisis had its origin, not in mal-administration or financial jiggery-pokery, but in the inability of an officer to close and balance the books of council, and the failure of the council clerk to get the rate demands out in reasonable time.<sup>4</sup>

<sup>3</sup>Ibid, p.2.

<sup>4</sup>Ibid, p.3.

Secondly that:

There was failure to reimburse revenue from a credit balance in the loan account for moneys paid chargeable against loan accounts.<sup>5</sup>

Thirdly that:

Application having been made for permission to make late Statutory Returns to the Auditor-General, and which request was granted, it was taken as an implication that rate demands would be correspondingly late.<sup>6</sup>

The councillors then gave a number of undertakings, and sought to continue the administrative functions of the council, and to be permitted to put its affairs in order. It can be assumed from the foregoing that there was much confusion, wrangling, and ill-feeling amongst the warring factions in the council on one hand, and the staff on the other. The Auditor-General, however, was quite clear as to the course he must take. His report for the financial year ended June 30, 1960 reveals that, following his investigation, he had received the observations from the Kingborough Council in accordance with the provisions of the Statutory Authorities Act 1937.<sup>7</sup> He had accepted the fact that a majority of councillors favoured a commission. Under the aforementioned act it was necessary for him to set up a Committee of Inquiry to hear witnesses

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<sup>5</sup>Ibid, p.3

<sup>6</sup>Ibid, p. 3.

<sup>7</sup>Tasmanian Parliament. The Report of the Auditor-General to Parliament as presented by the Treasurer, for the year ended June 30, 1960.

comprising councillors and ratepayers. This Committee, consisting of the Solicitor-General (Mr. D.M. Chambers), Mr. H.S. McLeod, and Councillor W.R. Bylett, held its preliminary meeting on January 13, 1960, and took evidence on that day and on three subsequent days. The Committee took the view that, under the Act, its function was limited to reviewing the Auditor-General's report of November 25, 1959, and that it was not in the nature of a commission to inquire into all the affairs of the Kingborough Council. The committee made it clear that it was not concerned with personalities, but with the financial affairs of the council.

After hearing evidence from fourteen witnesses, the Chairman presented his report to His Excellency the Governor, Lord Rowallan, on January 19, 1960. In his report the Chairman indicated that the committee was of the opinion that the Auditor-General had acted correctly in reporting that the financial affairs of the council were in a serious, unsatisfactory, and unsafe condition at the time of his report. The committee could find no evidence to contradict the figures presented by the Auditor-General. It was very critical of the exceeding of the statutory limit of the overdraft. It condemned the practice of financing capital works from revenue, even though it was the expressed intention to repay the revenue account from loan funds if and when available. It also deplored the fact that no effort

had been made to liquidate the debit balances on overdrawn internal accounts, the late issuing of rate demands, and the non-collection of rates and charges arrears. Another very substantial factor in the inevitable deterioration of council administration was the depletion of staff. There was abundant evidence of friction and disharmony amongst the members of the council, and this had a very marked effect on the efficiency of the council staff. The committee was quite convinced that this situation would not alter under existing conditions. Due to overwork and priorities the Clerk was unable to supply information required by the council.

The committee also found that a minor contributory factor had been the attendant problems of rapid growth in the municipality. This was in contrast to the author's findings in Clarence, where this very factor was the major cause of breakdown in elected council administration. After sifting all the evidence, the committee found that the council, on the whole, must accept final responsibility for the condition of the financial affairs of the municipality. In arriving at this decision, they had taken cognisance of the comments made by the Auditor-General in his reports of previous years, particularly that for the financial year ended June 30, 1957.<sup>1</sup> The final

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<sup>1</sup>Tasmanian Parliament. Report of The Auditor-General for the Financial Year ended 30th June, 1957, p. 280.



conclusions drawn by the committee in its report to the Governor read:

In conclusion the committee submits that, under the Statutory Authorities' Administration Act 1937, the function committed to it is to review the Auditor-General's report, and that the responsibility for deciding whether it is in the interests of the State or of the public that the powers and functions of the Council should be vested temporarily in a Commission lies with His Excellency the Governor-in-Council.<sup>1</sup>

This report by the committee was considered by His Excellency, and on January 20, 1960 a Commission of three members was appointed to take control of the municipality's affairs. The committee had held its preliminary meeting on January 13, taken evidence on January 14, 15 and 19, 1960, presented its report to His Excellency on the same day, and one day later (on January 20), the Governor-in-Council had deliberated on the report and appointed the Kingborough Commission to take control. The speed with which this operation was carried out is a tribute to the efficiency and skill of those in authority when a crisis threatens or necessity demands. The expeditious manner in which the commission was appointed, and the council replaced, could not help but restore confidence to worried and harassed ratepayers in the municipality.

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<sup>1</sup>Tasmanian Parliament. Report of the Committee of Inquiry appointed to review the Report of the Auditor-General on the Administration of the Kingborough Municipal Council.  
Page 6.

Progress under the Commission.---When the Commission took over the position was grim, as, apart from the financial aspect, there was the threat of a general walk-out by the staff. Almost all of them had tendered their resignations, to become effective a few days later. They claimed that they had been intimidated and harassed in their work by some councillors to whom they had refused information. The disharmony amongst councillors had taken its toll on staff members. It had also seriously prejudiced the council in conducting its normal business. The upsets had penetrated to the staff, and had caused them to hand in their resignations. This was not surprising, and was supported by the words of the Warden when appearing before the Committee of Inquiry.<sup>1</sup>

I have tried to refrain from mentioning personalities but there has been a constant barrage of insults, criticism and abuse aimed at the staff, and because of that we do not get through an ordinary meeting. It is a most trying and difficult situation. If I have not been harsh enough in the past, I accept the situation.<sup>2</sup>

The first consideration, therefore, was to restore domestic harmony. The commission, on taking office, found that reports of the conditions existing at the time had not been exaggerated. All the staff were working in one room in intolerable conditions.

<sup>1</sup>The Mercury, (Hobart), January 20, 1960. Statement by Mr. Frederick Carr Mitchell LLB, Warden of Kingborough Municipality. Mr. Mitchell did not give evidence before the Committee of Inquiry, but appeared before it to answer any questions.

<sup>2</sup>Ibid.

The commissioners called them to a meeting, listened to their complaints, and promised to iron out their difficulties where possible. Alterations were made, and the accommodation situation improved. The reorganisation of the administrative and works staffs was proceeded with to ensure that every employee was placed to the best advantage as regards his ability and the efficient performance of his duties. According to the Chairman of the Commission "the Staff took on a new lease of life and a completely new outlook as far as the affairs of the municipality were concerned, and they have welded themselves into an excellent and competent group of employees".<sup>1</sup>

The finances of the municipality needed urgent attention. So many of the accounts, such as water, sewerage, and roads, had debit balances. The commission felt that they could not increase rates any more at that stage as it would place too much of a burden on ratepayers. More loan monies had to be found for capital works. This proved to be easier than at first thought possible, as public confidence appeared to have been restored with the commission's appointment. The loan programme for 1961-62 was, in fact, a record; an amount of £119,000 being borrowed for major works. The terms of the loans ensured that the cost would be spread equitably over future generations.

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<sup>1</sup>Personal interview with Brigadier E.M. Dollery, MVO, OBE, MC, May 1965.

New and simplified methods of bookkeeping were introduced, and office work streamlined as far as possible.<sup>1</sup> The three commissioners realised the physical difficulties which they were facing. Here were three men who had been appointed to look after what had previously been the responsibility of fifteen councillors. For the purposes of administration they theoretically divided the municipality into three sections - Northern (Tarooma), Central (Kingston and Blackman's Bay), and Southern (Snug, Margate etc.). Each commissioner made himself responsible for, and au fait with, the requirements of the sector whose interests he was to care for. He had specific phases of administration allotted to him for his special study and recommendation, thus eliminating delay in carrying out administrative processes.

The various committees which existed under the former council were reorganised and given constitutions under which to work. By amalgamating some of these committees the number was reduced from twenty-one to thirteen. As there were ten members of each, this meant that one hundred and thirty persons had a direct and pertinent say in the administration of their municipality. The commission maintained touch with ratepayers through these committees, the chairman of each being the direct representative of the commission, with access to any commissioner at all times.

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<sup>1</sup> From an information booklet issued to ratepayers on October 1, 1961, by the Commission.

"The members of these committees, both male and female, are considered by the commission as an integral and indispensable part of its administration."<sup>2</sup> Each committee meets monthly, and a copy of its minutes are sent to the commissioners promptly. Any matters requiring attention are then dealt with expeditiously by them. The Chairman of the Commission states that practically every action taken by that body since its appointment relating to subdivision, town planning, or acquisition for reserves or recreation grounds, has been done on submissions and advice from the committees. He considers, therefore, that the commission is closer to the people than the council ever was in Kingborough.

The commission, which was appointed in January, 1960 for one year, has had several extensions of this original term, and has now been re-appointed until January, 1967. This will give the commissioners an opportunity to straighten out the affairs of this municipality and reasonable time in which to complete the task they were set seven years previously. Even after six months in office, the Auditor-General was able to report that the "overall financial position shows some improvements".<sup>3</sup> He also expressed in the same report his opinion, after reviewing

<sup>2</sup>Ibid.

<sup>3</sup>Tasmanian Parliament. Report of the Auditor-General for the Financial Year ended 30th June, 1960.

the budgetary position for the year 1959/60, that further progress should be evident at the close of the following year. He further stated that "the manner of presentation of the Annual Statement is indicative of many desirable changes effected in the commission's accounting administration".<sup>4</sup> In their last report to ratepayers the commissioners stated that considerable progress had been achieved in all phases of municipal administration. They considered that Kingborough was now firmly on its feet, and that healthy and rapid development could be expected in the future. They also gave the impression that they had no wish to continue in office once a strong and progressive elected council could be assured. Time alone can decide what will eventuate. One thing, however, seems certain. Kingborough is likely to see far more rapid progress in the next few years with the opening of the new Southern Outlet Road. This will possibly have the same effect on this municipality as the Hobart Bridge had on Clarence. The new expressway will provide a much shorter and faster route to Kingston. This should cause a rapid growth of population in the area, and already large land deals are proceeding in the district. Will the lessons of Clarence be learnt here? This is a burning question, but at least Kingborough should have its finances on a much sounder footing than was the case on the eastern shore. This has been

<sup>4</sup>Ibid.

the prime function of the Commission in Kingborough. It was  
the cause of the Commission being appointed!

## CHAPTER VI

### CONCLUSION

Having spent a great deal of time in research for this paper by means of interviews, correspondence, and reading, the author is more than ever convinced that, under the surface, all is not well with local government in Tasmania. There have been a number of inquiries over the years, including a costly Royal Commission in 1939. As was discussed in Chapter II, this latter Commission was rather an abortive one. Very few of its recommendations were ever given effect to. It very specifically suggested a reduction in the number of municipalities, but the government of the day was not prepared to act on this. Perhaps the reason for this failure to take action stems from the fact that members of parliament here are so closely connected with local government. Tasmania is a small State, and this means that parliament is also very close to the people. There seems to have been a perpetual fear, over the years, of introducing matters of a local government nature unless it was readily acceptable to all concerned.

It was not until 1961 that a bold step was taken to introduce fresh legislation in the field of local government.



Reliance had always been placed on the old Local Government Act of 1906, but since then our population has doubled, and many municipalities have changed their character from rural to urban. This in itself has created many problems. Clarence and Kingborough are good examples of this. The new Local Government Act of 1962 has attempted to correct many of the anomalies and bring a modernistic outlook into the field of local government, but it still falls short of its target. This is evidenced by the number of amendments already brought forward or mooted for the future. From a study of mainland local government it appears that the need for replacing elected councils does not arise nearly as frequently as in Tasmania. The three largest municipalities outside of and adjacent to Hobart have been administered by commissions in recent years. In all cases the replacements, for varying lengths of time, have proved most satisfactory. They succeeded where elected councils failed. They have in each case achieved the purpose for which they were intended, that of bringing harmony and efficiency to the municipality.

In the course of this paper the commission form of local government has appeared in a very good light. In the two Tasmanian municipalities under consideration in this paper, commissions were instituted because of a breakdown in the elected councils. The evidence forthcoming from mainland states

indicates that a commissioner or similar administrator takes over, also, where the normal administration fails. In South Australia the only two commissions to have been appointed have been in control of the respective municipalities for years. If some different form from the normal authority can take over and prove so efficient in a crisis, should it not be used more frequently for efficient government?

We are often prone to ask ourselves whether or not our present system of local government fails in its objectives. In a radio talk recently, Professor Peter Scott of the Tasmania University is quoted as saying that:

It fails primarily in respect of not providing the services that we could expect from professionals on the sort of scale which would give considerable economies in the operation. I think, for efficient local government today, one obviously needs to employ the services of a wide range of professionals, and this is not possible unless you are organising local government on a pretty large scale.<sup>1</sup>

In deciding where it does fail, and how seriously, it seems opportune to discuss in detail the propositions outlined in Chapter I of this paper. The first of these posed the question as to whether commissions which replace democratically elected councils are themselves democratic. Admittedly, local government councillors are, for the most part, practical men elected in line with our democratic heritage, but our system

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<sup>1</sup>From the transcript of a discussion between Mr. John Roberts and Professor Scott, Professor of Geography at the Tasmania University, in "Tasmania Today" from Radio Station 7ZR on June 30, 1965.

of voting at council elections does not tend to ensure that the best and right men are always elected. Unfortunately, municipal voting is not compulsory. This means that only the interested few record their vote on polling day. Statistics show that, on the average, only one third of eligible residents in a municipality register their votes. Recently the Mayor of Launceston expressed his views on the necessity of compulsory voting for municipal elections. He said:

Under the present system councillors were sitting shots for ratepayers of whom the majority were too indifferent to record a vote . . . we are not getting a democratic vote. Both Liberal and Labour parties obviously favoured compulsory voting in the State and Federal spheres. Neither party had done anything to change the system. If compulsory voting was introduced, the councillors still could expect to receive the usual measure of abuse, but the majority of ratepayers would have to accept the responsibility of electing them.<sup>1</sup>

This apparent disinterest enables pressure groups, and possibly undesirable elements, to get their candidates elected. This was shown to be the case in Clarence when the question of Site Value Rating was mooted. Plural voting also adds to the confusion: the largest interests have the most votes, and this in itself does not seem very fair or even democratic.

Where a commission becomes necessary the members are elected by the government and are responsible to them. This same government is democratically elected and responsible to the people.

<sup>1</sup>Turnbull, Senator R.J.D. "Voting should be Compulsory", The Mercury, (Hobart), June 24, 1964.

Therefore it would seem incorrect to say that a commission is undemocratic. There is, however, one aspect which appears to need some correction. This is in regard to the case where, as happened at Clarence, ratepayers sign a petition for holding a poll for the removal of an elected council. Having been replaced it would be necessary for a further petition, signed by one-third of the same ratepayers, to request a further poll after at least three years to decide whether the municipality changes back from a commission to an elected council. If, for reason of apathy, satisfaction with existing administration, or plain ignorance, the required number of signatures is not forthcoming, then the commission remains in office. It seems to be advisable that the people should be compelled to vote, say at least at the end of every second term, for the type of local administration required. This would obviate the necessity for some people to give up their time to obtain the sufficient number of signatures to a petition. In the case where, by intervention of the Auditor-General, a commission is appointed, it only holds office for two years. At the end of this time both Houses of Parliament discuss the matter of an extension. In due course, when in their considered opinion the commission has completed the task set it, Parliament will replace it. So far Kingborough is in its third term. This can hardly be called undemocratic.

In both Kingborough and Clarence the commissioners have gone to extreme lengths to ensure that they work in accordance with the wishes of the people. In the former municipality it was seen, in Chapter V, how the commissioners work through a large number of local committees of responsible ratepayers.

In Clarence the commissioners keep themselves well informed of the ratepayers' wishes through the Council of Clarence Progress Associations, and, on request, the commissioners will speak at meetings of any of the seven progress associations in the district or of the Risdon Vale Co-ordinating Committee. They will also receive any reasonable deputations. In this way the commissioners feel that they know more about the municipality as a whole than would a council elected under the ward system.

This leads us to the second proposition, which deals with efficiency. As shown in the previous paragraph the commissioners of the two municipalities mentioned are aware of all that is going on in their areas. (This is not as likely to be the case with an elected council. Each councillor is more concerned with his own ward and tends to develop a parochial outlook. Each commissioner is appointed because of his particular ability in certain directions. It is usual to appoint men who are expert in the field of either administration or finance, or both. Being paid for their services they are more likely to have a greater incentive than unpaid councillors. In the large majority of cases the elected councillor is either a farmer or

a business man who can devote only spare time to municipal affairs. This may be satisfactory in a small municipality, but does not seem to lend itself to efficiency in the larger ones. Both the Chairman of Clarence Commission and of Kingborough Commission state that they rarely have any free time from municipal affairs regardless of the fact that they are paid only on a part-time basis. They both spend many hours each week in their offices at the respective council chambers. They hold meetings regularly each week and perform local functions outside their offices. Even at home their thoughts are centred on solving problems of a local nature.

The Commissioner of Kingborough stated that a meeting of his commission has disposed of as many as seventy-two items of business on an agenda in one sitting. With arguments, debates, and jealousy existing between councillors, this would have been impossible at a council meeting. He claimed that it would be practically impossible for a Warden to give sufficient time to prepare the details for so many items.

In the matter of finance each commission has had appointed financial experts, and this is most essential. This cannot but lead to efficiency in the keeping of the books and to sound management of the financial concerns of the municipality. In perusing the reports of the Auditor-General from time to time it is interesting to read how efficiency is apparent in municipalities controlled by commissions.

In 1939 the Auditor-General said:

There are six commissions at present controlling the affairs of five municipalities and a harbour trust, and the work performed by these commissions continues to be most satisfactory. The finances of the authorities concerned are in a far better condition and the essential services and administration have greatly improved since these commissions were appointed.<sup>1</sup>

In the same report the Auditor-General showed how greatly improved was the financial position of the Scottsdale municipality by virtue of the appointment of a commission. He also pointed out how necessary it is for all municipal accounts to be kept in an efficient manner. It is essential that credit balances in some accounts are not used to finance overdrawn balances in other accounts. This had happened in Scottsdale prior to 1939. It occurred in Kingborough in 1959 and caused much embarrassment to the council in its dying moments. Efficiency is thus called for in municipal finance, and who is better qualified to effect it than the expert.

Another point raised by the commissioners of both municipalities is that the work value obtained from their staff members appears to be considerably greater than before. There seems to be more of an incentive to work for paid commissioners than for an elected Warden who divides his time between his own affairs and those of the council. Of course the council clerk or

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<sup>1</sup> Report of the Auditor-General to the Parliament for the year ended 30th June, 1939. p.163.

commission secretary is responsible for work done no matter what type of administrative authority is in control. The fact that there are less bosses could be the answer to greater efficiency. It seems that a small body such as a commission can claim to be the more efficient. Are larger councils therefore too unwieldy?

This question brings us to the third proposition dealing with the size of councils. The number of councillors engaged in local government varies in all countries. Moscow, with approximately 1400 councilmen, has possibly the largest city council in the world.<sup>1</sup> It appears that the councils in the communist countries are, for the most part, relatively large.<sup>2</sup> This gives the people broad representation and popular participation.

In general the councils are too large to be effective as the actual governing organs of the local units. In these units a large amount of the work load . . . is delegated to other bodies.<sup>3</sup>

Of course in Australia we find this also applies in some degree to our city councils where the numerous tasks of government are passed on to various committees. Some of these city units are very large and tend to become unwieldy. Hughes

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<sup>1</sup>Hughes, Samuel, "The Council", The Structure of Local Government, The Hague, Martinus Nijhoff, 1961, pp.72-75, 86-88.

<sup>2</sup>Ibid.

<sup>3</sup>Ibid.



points out that:

In the United States, for instance, many of the rural municipal and county councils have only three members, and a large number of the city councils have only five or fewer councilmen.<sup>4</sup>

In Canada as well there is this tendency towards small councils where much use is made of the commission or council-manager forms of government. To further quote Hughes:

The small size generally allows each of its members a greater opportunity for participation in the decision-making process. It is argued that smaller membership and greater opportunity to play an offensive role in the governing process increases the prestige of a councilman and the possibility of obtaining good candidates for all the seats . . . The small size increases the opportunity for efficient and effective consideration and decision of the local issues.<sup>5</sup>

These points, in the author's opinion, are most important, and very true. It was seen in studying Clarence and Kingborough that large numbers of councillors could not agree on matters of vital importance to the ratepayers they were representing. The poll in Clarence overwhelmingly rejected the councillors, in entirety, in favour of a small, compact commission of three to look after their welfare. The Royal Commission of 1939 and the Local Government Inquiry of 1961 both dealt with the problem of large councils. The former reported that, as then constituted, the councils needed to find some five hundred men constantly to perform the duties of councillors

<sup>4</sup>Ibid.

<sup>5</sup>Ibid.

in Tasmania. This number, they considered, was far too great, and this finding had been arrived at after hearing evidence in which most council clerks had stated this view. The Royal Commissioners considered that five councillors for each municipality would be the best number. This recommendation, which seems full of merit, and which is in line with the thinking of more experienced countries overseas, was not carried out by the government of the day. The Auditor-General also acclaimed the suggestions made by the Royal Commission on this matter. He considered that "twelve or fifteen councillors for a municipality were too unwieldy in the best interests of efficiency, economy, and good administration."<sup>1</sup> If there is so much official and public favour for a reduction in size of councils, why not go the full distance and institute commissions, with paid administrators, in at least the urban municipalities. They would not cost the ratepayers any more, if as much, as an elected council. Their efficiency should be far greater, and would offset the payment made to the commissioners. They should work more as a team for the good of the ratepayers. If the suggestions of the several inquiries into local government had been acted upon, we would have seen less representation from the various wards in the local government areas, but it would have been less biased.

<sup>1</sup>Tasmanian Parliament. Report of the Auditor-General for the year ended 30th June, 1939.

That the system of dividing a municipality into wards lends itself to abuse is the next proposition open for discussion. Tasmania uses this division of the local government areas into wards to make up the various municipalities. The boundaries in use have been altered very little since 1907. This is, of course, from whence springs our difficulties in regard to rural and urban wards at the present time. In Kingborough it was seen that there are five wards, three rural and two urban. Under the old elected council the rural wards could out vote the urban, whilst the urban raised more finance from rates. Naturally this caused much unrest and jealousy. Clarence had the same difficulty.

The Local Government Act of 1906 permitted the division of municipalities into three, four or five wards. Since then this system has often been under fire. The Parliamentary Inquiry of 1961 reported that:

The Committee fully supports the abolition of the Ward System, a reduction in the number of councillors, and the election of the Warden by ratepaying electors, and recommends the necessary action to bring this about.<sup>1</sup>

This was four years ago, and its recommendations were not put into effect. We are prone to ask "what is wrong with local government in Tasmania?" We realise there is much apathy

<sup>1</sup>Tasmanian Parliament. Local Government Inquiry. (No. 22 of 1961). Report of A Select Committee of the House of Assembly. p. 10, para. 59.

amongst ratepayers, but it appears that there is as much of it, if not more, at the top, in the Parliament itself. How else can one think when reflecting on the large number of abortive inquiries into local government over the years. Some one has been afraid to act!

With the present system the councillors elected for each ward, being only human, must wish to concentrate on their own particular ward. It is from this sector that they will look for votes to elect them at the next poll. They therefore tend to become parochial in outlook, and selfishly seek to get as much finance as possible for their own ward, more than a fair share in most cases. This again causes jealousy and disharmony, as in Clarence, Kingborough, and many other municipalities.

According to the press, a move has been made to end the Ward System on Flinders Island.<sup>1</sup> This appears to be a step in the right direction as every councillor would be appointed to represent the municipality as a whole. The smaller council with, say, five representatives, or a commission of three, must be far more impartial and spend the finance available where it is most needed.

The fifth proposition for consideration is that the efficient way in which the commissions in Tasmania have carried out their tasks must tend to build up public confidence. In

<sup>1</sup>The Mercury (Hobart) May 17, 1965, p. 3.

Clarence and Kingborough just prior to the removal of the council, public confidence was at its lowest ebb. It was the prime object of each commissioner to build this up as quickly as possible. In both municipalities finances were in a bad state, some major accounts had debit balances, and loans were hard to raise, not only because the public had lost faith, but so had the financial institutions. According to both commissioners the position improved immediately on the appointment of the commissions. This assisted them to placate the disturbing elements in their midst by expenditure on roads, water, and sewerage schemes, and other important works neglected for various reasons already discussed.

It has appeared throughout this paper that efficiency is the keynote of the commission form of local government. This form has many advocates; especially amongst those who live in areas under its control. It also has its enemies who consider it undemocratic; they would probably not be happy with any other form anyway.

With this in mind we come to the sixth and final proposal, that, in the light of changing conditions, it becomes necessary to consider which is the better form of local administration. The author does not pretend to have solved this problem. The conclusion has been reached that there is something radically wrong in Tasmanian local government administration. Why else

would there have been so many inquiries? All systems have their faults, but we have moved out of the horse and buggy days which possibly lent themselves admirably to the old system instituted under the original act of parliament creating municipal government in Tasmania. One thing seems certain, and this has been commented on in the reports of some of the inquiries - that there should be a reduction in the number of councillors in a municipality. This was particularly specified in the Royal Commission's recommendations in 1939. One of the terms of reference was to consider the "best form of municipal government to meet the requirements of the State". This question resolved itself into the claims of elected council government as against government by appointed commission. At the time five of these were functioning in this state. One would have thought that there would have been much interest in this question especially in centres where commissions had been appointed. In two cases only did ratepayers give evidence before the Royal Commission. Here again the apathetic approach to these matters by the ratepayers in general is distressing.

To discuss all the alternative methods of local administration - most of which have some merit - would prolong this paper unjustifiably. Much research would have to be undertaken, and besides it is outside the scope of the title. It was mentioned earlier that the commission and council-manager forms have proved

successful in the United States of America and Canada. This latter method was tried in Launceston in the 1920's. The experiment did not last long and was not persevered with. Apparently a clash of personalities was involved, and, added to this, the Manager was not given a clear picture of his responsibilities.

A very interesting article in the press recently introduced a new concept in the field of local government for Tasmania. In it the writer recommends:

This State to consider the introduction of a two-tier system if we are to preserve the advantages of an elective and co-ordinated system of local government, and at the same time meet the requirements of modern conditions.<sup>1</sup>

He suggests that:

Such obviously regional functions such as the provision of water supply, roads, public transport, and master planning might be undertaken by county councils, while purely local functions, such as garbage-collection and detailed planning, might be retained by a greatly reduced number of municipalities.<sup>2</sup>

This is an interesting suggestion which could give a new aspect to local government in these changing times. Notwithstanding the arguments advanced in criticism of the commission form of local government, there are many points in its favour. It appears evident that, in the larger municipalities, a commission is a workable unit. It lends itself to efficient, and

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<sup>1</sup>The Mercury (Hobart), October 22, 1964, p. 4. Peter Scott, Professor of Geography, University of Tasmania. "Two-tier System of Local Government".

<sup>2</sup>Ibid.

therefore economic, administration. It is acceptable to most of the intelligent ratepayers of a municipality. This may be considered a sweeping statement. However, the author recently conducted a private survey of twenty residents in his area concerning a request to be put to the local municipal authority for improvements. At the same time the opinion of those interviewed was sought as to their feelings on the commission form of government. Only one expressed himself in favour of a return to an elected council. This confirms the author's impressions that the majority of residents, in this area at least, feel that they have sufficient access to, and say in, the government of their municipality under commission control. The author was lukewarm in his own mind towards this latter form of control in the larger municipalities when he commenced this paper. In his research he has come to the conclusion that it has more to offer in the way of advantages over the old council form, and it would be truthful to say that he is now most enthusiastic about it. Times are changing; we must move with the times. The form of elected council, as constituted, suited our forefathers, but we must take steps to bring it up to date. What is the answer? Perhaps we can compromise and evolve a system which combines the advantages of all. Professor Scott in his recent article in the local press<sup>3</sup>

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<sup>3</sup>Ibid.



and in his radio broadcast,<sup>1</sup> both previously mentioned, has given food for thought. That such a deep thinker and expert in his field should consider that local government in its present form fails to fulfil its primary objects makes the layman wonder where the remedy lies. In answer to a question as to what evidence is available that the present size of local government units is too small, he replied:

Well, I think here in Hobart we've got the evidence that Kingborough and Clarence are now commissions and they are not municipalities. We've got the evidence that certain professional services like water supply have not been provided properly by the existing local government and therefore it has been necessary to set up ad hoc authorities . . . I think there is a good deal of evidence to show that under the present structure of local government professional services are not in fact being applied to their maximum advantage for the community.<sup>2</sup>

Here again the author's impressions are that paid administrators, on a full time basis, would be more able to cope with these problems in large municipalities than a number of elected unpaid councillors. The former have more authority to control the activities of the professionals and paid employees under them. This was most noticeable on visits paid by the author to the Clarence Municipal headquarters in the course of his research.

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<sup>1</sup>From the transcript of a discussion between Mr. John Roberts and Professor Peter Scott, Professor of Geography at the University of Tasmania, in "Tasmania Today" broadcast from Radio Station 7ZR on June 30, 1965.

<sup>2</sup>Ibid.

In conclusion, suffice it to say that very soon the recently constituted Municipal Commission will present its findings on local government in Tasmania. This Commission has probably gone into the technical problems far more deeply than any of the previous inquiries. They have it in their power to recommend sweeping reforms. The time is ripe for such changes. Let us hope that their well-considered judgment will usher in a new era of local government in this state. It does not end here, of course. The parliament of the day must have the courage of its convictions to pass legislation and carry the Municipal Commission's recommendations into full and permanent effect.

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